

**NIRMAN AGRI GENTICS LIMITED****Corporate Identification Number: U01110MH2020PLC344089**

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
Vedant Apartment, Near Reliance Shope, Dindori Road, Panchavati, Nashik – 422 003 Maharashtra, India	N.A.	Kamlesh Yadav, Company Secretary and Compliance Officer	<b>E-mail:</b> cs@nirmanagrigen.com  <b>Tel:</b> +91 253 2943101	www.nirmanagrigen.com

**PROMOTERS: Pranav Kailas Bagal****DETAILS OF ISSUE TO PUBLIC**

Type of Issue	Fresh Issue Size	Offer For Sale Size	Total Offer Size	Eligibility
Fresh Issue	20,50,800 Equity Shares at the Offer Price of ₹99 each aggregating ₹ 2,030.29 Lakhs	Nil	20,50,800 Equity Shares at the Offer Price of ₹99 each aggregating ₹ 2,030.29 Lakhs	This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. The Issue is being made pursuant to Regulation 229 (1) of SEBI (ICDR) Regulations, as the Company's post issue paid up capital is less than ₹ 10.00 Cr.

**RISKS IN RELATION TO FIRST OFFER**

This being the first Public Offer 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/- each and the Offer Price of ₹ 99 is 9.90 times of the face value of the Equity Shares. The Offer Price (determined and justified by our Company in consultation with the Lead Manager) as stated under “Basis for Offer Price” beginning on page no. 64 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

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 Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 18.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares offered through this Draft Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (“NSE”). For the purposes of this Offer, NSE is the Designated Stock Exchange.

**LEAD MANAGER TO THE OFFER****REGISTRAR TO THE OFFER**

LEAD MANAGER TO THE OFFER		REGISTRAR TO THE OFFER	
			
<b>Name of Lead Manager to the Offer:</b>  <b>First Overseas Capital Limited</b>	<b>Name of Contact Person:</b> Satish Sheth / Mala Soneji  <b>Tel No.:</b> +91 22 4050 9999 <b>Email:</b> satish@focl.in / mala@focl.in	<b>Name of Registrar to the Offer:</b>  <b>Bigshare Services Private Limited</b>	<b>Name of Contact Person:</b> Babu Rapheal C.  <b>Tel. No.:</b> +91 22 6263 8200 <b>Email:</b> ipo@bigshareonline.com

**OFFER PROGRAMME**

<b>OFFER OPENS ON:</b>	■
<b>OFFER CLOSES ON:</b>	■



## NIRMAN AGRI GENETICS LIMITED

Our Company was incorporated as Nirman Agri Genetics Private Limited on August 19, 2020 under the Companies Act, 2013 with the Registrar of Companies, Mumbai bearing Registration number 344089. The status of the Company was changed to public limited and the name of our Company was changed to Nirman Agri Genetics Limited vide Special Resolution passed at EGM dated December 05, 2022. The fresh certificate of incorporation consequent to conversion was issued on January 03, 2023 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U01110MH2020PLC344089. For further details of our Company, see "General Information" and "History and Certain Other Corporate Matters" on pages 42 and 106, respectively.

**Registered Office:** Vedant Apartment, Near Reliance Shopee, Dindori Road, Panchavati, Nashik – 422 003 Maharashtra, India

**Tel No.:** +91 253 2943101; **Email:** cs@nirmanagrigen.com; **Website:** www.nirmanagrigen.com

**Contact Person:** Kamlesh Yadav, Company Secretary and Compliance Officer.

### PROMOTERS: Pranav Kailas Bagal

INITIAL PUBLIC OFFERING OF UP TO 20,50,800 EQUITY SHARES OF ₹10 EACH ("EQUITY SHARES") OF NIRMAN AGRI GENETICS LIMITED ("NIRMAN" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹99.00 PER EQUITY SHARE (THE "OFFER PRICE"), AGGREGATING TO ₹2030.29 LAKHS ("THE OFFER"), OF THE OFFER, 1,04,400 EQUITY SHARES AGGREGATING TO ₹103.36 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE OFFER LESS THE MARKET MAKER RESERVATION PORTION I.E. OFFER OF 19,46,400 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH AT AN OFFER PRICE OF ₹99.00 PER EQUITY SHARE AGGREGATING TO ₹1,926.94 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER WILL CONSTITUTE 34.40% AND 32.65%, RESPECTIVELY OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, SEE "TERMS OF THE OFFER" ON PAGE 183 OF THE DRAFT PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10.00 EACH AND THE OFFER PRICE OF ₹99.00 IS 9.90 TIMES OF THE FACE VALUE

THIS OFFER IS BEING MADE IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI (ICDR) REGULATIONS"), AS AMENDED. IN TERMS OF RULE 19(2)(b) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN OFFER FOR AT LEAST 25% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THIS OFFER IS A FIXED PRICE OFFER AND ALLOCATION IN THE NET OFFER TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253 OF THE SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS, SEE "OFFER PROCEDURE" ON PAGE 191 OF THE DRAFT PROSPECTUS.

All potential investors shall participate in the Offer only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details of the irrespective bank accounts and / or UPI IDs, in case of RIIs, if applicable, which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. A copy will be delivered for registration to the Registrar of Companies as under Section 26 of the Companies Act, 2013. For details in this regard, specific attention is invited to "Offer Procedure" on page 191. A copy of the Prospectus will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

### RISKS IN RELATION TO FIRST OFFER

This being the first Offer of the Issuer, there has been no formal market for the securities of our Company. The face value of the Equity Shares of our Company is ₹10.00. The Offer Price 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 RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this 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 this Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and this Offer, including the risks involved. The Equity Shares 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 Prospectus. **Specific attention of the investors is invited to 'Risk Factors' on page 18.**

### ISSUER'S ABSOLUTE RESPONSIBILITY

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

### LISTING

The Equity Shares offered through this Draft Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ("NSE"). Our Company has received the approval letter dated [●], 2023 from NSE for using its name in the offer document for listing of our shares on the EMERGE Platform of NSE. For the purpose of this Offer, the Designated Stock Exchange will be NSE.

### LEAD MANAGER TO THE OFFER



**FIRST OVERSEAS CAPITAL LIMITED**  
1-2 Bhupen Chambers, Dalal Street, Fountain,  
Mumbai – 400 001, Maharashtra, India.  
**Tel No.:** +91 22 4050 9999  
**Fax No:** +91 22 4050 9900  
**Email:** satish@focl.in / mala@focl.in  
**Investor Grievance Email:** investorcomplaints@focl.in  
**Website:** www.focl.in  
**SEBI Registration No:** INM000003671  
**Contact Person:** Satish Sheth / Mala Soneji

### REGISTRAR TO THE OFFER



**BIGSHARE SERVICES PRIVATE LIMITED**  
S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park,  
Mahakali Caves Road, Next to Ahura Centre,  
Andheri East, Mumbai - 400 093, Maharashtra, India  
**Tel. No.:** +91 22 6263 8200  
**Email:** ipo@bigshareonline.com  
**Website:** www.bigshareonline.com  
**Investor Grievance Email:** investor@bigshareonline.com  
**SEBI Registration No.:** INR000001385  
**Contact Person:** Babu Rapheal C.

### OFFER PROGRAMME

**OFFER OPENS ON: [●]**

**OFFER CLOSES ON: [●]**

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## SECTION I – GENERAL DEFINITIONS AND ABBREVIATIONS

*This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or our Articles of Association, Memorandum of Association, policies shall be to such legislation, act or regulation, 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 in this Draft Prospectus but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.*

*Notwithstanding the foregoing in ‘Main Provisions of the Articles of Association’, ‘Summary of Our Business’, ‘Our Business’, ‘Risk Factors’, ‘Industry Overview’, ‘Key Regulations and Policies in India’, ‘Financial Information’, ‘Outstanding Litigation and Material Developments’ and ‘Part B’ of ‘Offer Procedure’, defined terms, will have the meaning ascribed to such terms in these respective sections.*

### Company Related Terms

Term	Description
“Nirman Agri Genetics Limited”, “NIRMAN”, “We” or “us” or “our Company” or “the Issuer”	Unless the context otherwise requires, refers to Nirman Agri Genetics Limited, a Company incorporated under the Companies Act, 2013 and having its registered office at Vedant Apartment, Near Reliance Shoppee, Dindori Road, Panchavati, Nashik – 422 003 Maharashtra, India.
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, our Company.
“you”, “your” or “yours”	Prospective investors in this Offer
AOA/Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Regulation 18 of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014
Board/ Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted Committees thereof.
Compliance Officer	The Company Secretary of our Company, being Kamlesh Yadav, Company Secretary and Compliance Officer.
Director(s)	Director(s) on the Board of our Company, as appointed from time to time, unless otherwise specified.
Equity Shareholders	The holders of the Equity Shares
Equity Shares/Shares	The equity shares of our Company of a face value of ₹10.00 each unless otherwise specified in the context thereof
Group Companies / Group Entities	Such companies as covered under the applicable accounting standards, being Accounting Standard 18 or other entities as considered material in accordance with the Materiality Policy, as described in “ <i>Our Group Entities</i> ” on page 124.
Key Management Personnel / KMP	Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI (ICDR) Regulations, Section 2(51) of the Companies Act, 2013. For details, please refer “ <i>Our Management</i> ” on page 110.
MoA / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
Peer Reviewed Auditor / Statutory Auditor	The independent peer reviewed Statutory Auditor of our Company M/s. A. S. Bedmutha & Co., Chartered Accountants
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(zb) of the SEBI (ICDR) Regulations.
Promoters	Pranav Kailas Bagal
Registered Office	The registered office of our Company situated at Vedant Apartment, Near Reliance Shoppee, Dindori Road, Panchavati, Nashik – 422 003 Maharashtra, India.

Registrar of Companies / ROC	Registrar of Companies, Mumbai, Maharashtra
Restated Summary Statements	Audited restated summary statements of assets and liabilities as at October 31, 2022, March 31, 2022; 2021 and 2020 and audited restated summary statements of profits and losses and cash flows for the period / financial years ended October 31, 2022, March 31, 2022; 2021 and 2020 of the Company.

## Offer Related Terms

Term	Description
Acknowledgement Slip	The slip, document or counter foil issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allot / Allotment /Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Offer of Equity Shares to the successful Applicants.
Allottee	A successful Applicant to whom the Equity Shares are Allotted.
Applicant	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
Application	An indication to make an offer during the Offer Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Offer Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Form	The form in terms of which an Applicant shall make an Application and which shall be considered as the application for the Allotment pursuant to the terms of the Prospectus.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by an Applicant authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB and will include amounts blocked by SCSB upon acceptance of UPI Mandate Request by UPI Applicants using the UPI Mechanism
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Applicants for blocking the Bid Amount mentioned in the ASBA Form and will include amounts blocked by SCSB upon acceptance of UPI Mandate Request by UPI Applicants using the UPI Mechanism.
ASBA Applicant(s)	Any prospective investors in this Offer who applies for Equity Shares of our Company through the ASBA process in terms of the Prospectus.
Bankers to the Offer/ Public Offer Bank	The banks which are clearing members and registered with SEBI as Banker to an Offer with whom the Public Offer Account will be opened and in this case being [●].
Banker to the Offer Agreement	Agreement to be entered into amongst the Company, LM, the Registrar, Sponsor Bank, and the Banker of the Offer.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Offer, described in “Offer Procedure” on page 191.
Broker Centres	Broker centres notified by the Stock Exchange, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centres, along with the name and contact details of the Registered Brokers, are available on the website of NSE on the following link <a href="http://www.nseindia.com">www.nseindia.com</a> .
Broker to the Offer	All recognized members of the stock exchange would be eligible to act as the Broker to the Offer.
NSE SME	The Emerge platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter IX of the SEBI (ICDR) Regulations, 2018.
CAN / Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Client ID	Client identification number of the Applicant’s beneficiary account.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Collection Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms.

<b>Term</b>	<b>Description</b>
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Offer and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The details of the Applicants including the Applicants' address, names of the Applicants' father/husband, investor status, occupations, and bank account details.
Depository /Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996.
Depository Participant / DP	A depository participant as defined under the Depositories Act.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange ( <a href="http://www.nseindia.com">www.nseindia.com</a> ).
Designated Date	The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts to the Public Offer Account or unblock such amounts, as appropriate in terms of the Prospectus.
Designated Intermediaries / Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an Offer and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated Market Maker / Market Maker	In our case, Rikhav Securities Limited.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange ( <a href="http://www.nseindia.com">www.nseindia.com</a> ).
Designated SCSB Branches	Such branches of the SCSBs which collected the ASBA Application Form from the applicants and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited
Draft Prospectus / DP	The Draft Prospectus dated January 17, 2023, filed with National Stock Exchange of India Limited.
Eligible NRI	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Prospectus constitutes an invitation to subscribe for the Equity Shares.
Equity Shares	Equity Shares of our Company of face value Rs. 10/- each
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible QFI	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened dematerialised accounts with SEBI registered qualified depository participants as QFIs and are deemed as FPIs under the SEBI FPI Regulations.
First Applicant	The Applicant whose name appears first in the Application Form or the Revision Form.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018.
Offer / Public Offer/ Offer size / Initial Public Offer/ Initial Public Offering / IPO	Initial Public Offering of up to 20,50,800 Equity Shares of ₹10 each ("Equity Shares") of Nirman Agri Genetics Limited ("NIRMAN" or the "company") for cash at a price of ₹99.00 per equity share (the "Offer price"), aggregating to ₹ 2030.29 lakhs ("the Offer"). Of the Offer, 1,04,400 Equity Shares aggregating to ₹103.36 lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion"). The Offer less the Market Maker Reservation Portion i.e. Offer of 19,46,400 Equity Shares of ₹10 each at

Term	Description
	an Offer price of ₹99.00 per Equity Share aggregating to ₹1,926.94 lakhs is hereinafter referred to as the “Net Offer”.
Offer Agreement / MoU	The agreement dated January 06, 2023 entered into amongst our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer Closing Date	The date on which the Offer closes for subscription. In this case being [●], 2023
Offer Opening Date	The date on which the Offer opens for subscription. In this case being [●], 2023
Offer Period	The period between the Offer Opening Date and the Offer Closing Date, inclusive of both days during which prospective Applicants can submit their Applications, including any revisions thereof.
Offer Price	The price at which Equity Shares are being offered by our Company being ₹99.00 per Equity Share.
Lead Manager / LM	The lead manager to the Offer, in this case being First Overseas Capital Limited.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the NSE.
Market Maker Reservation Portion	1,04,400 Equity Shares of ₹10.00 each at ₹99.00 per Equity Share aggregating to ₹103.36 lakhs reserved for subscription by the Market Maker.
Net Offer	The Offer (excluding the Market Maker Reservation Portion) of 19,46,400 Equity Shares of face value of ₹10.00 each at an Offer Price of ₹99.00 per equity share aggregating to ₹1,926.94 lakhs.
Net Proceeds	Proceeds of the Offer that will be available to our Company, which shall be the gross proceeds of the Offer less the Offer expenses.
Non-Institutional Investors / NIIs	All Applicants, including Category III FPIs that are not QIBs or Retail Individual Investors who have made Application for Equity Shares for an amount of more than ₹2,00,000 (but not including NRIs other than Eligible NRIs).
Prospectus	The Prospectus to be filed with the RoC for this Offer in accordance with the provisions of Section 26 of the Companies Act, 2013 and the SEBI (ICDR) Regulations, including any addenda or corrigenda thereto.
Public Offer Account	The account to be opened with the Banker to the Offer under Section 40 of the Companies Act, 2013 to receive monies from the ASBA Accounts on the Designated Date.
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations.
Refund Account(s)	Accounts to which the monies to be refunded to the Applicants is transferred from the Public Offer Account in case listing of the Equity Shares does not occur.
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals.
Registrar Agreement	The Agreement between the Registrar to the Offer and the Issuer Company dated January 10, 2023, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar to the Offer	The Registrar to the Offer being Bigshare Services Private Limited.
Retail Individual Investors/ RIIs	Applicants (including HUFs, in the name of Karta and Eligible NRIs) whose Application Amount for Equity Shares in the Offer is not more than ₹2,00,000/-.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable.
Self Certified Syndicate Banks or SCSBs	Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at www.sebi.gov.in and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
SME Platform of NSE / SME Exchange / Stock Exchange / NSE Emerge	The Emerge platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations.
Sponsor Bank	[●], being a Banker to the Offer, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIBs into the UPI, and carry out other responsibilities, in terms of the SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI
Underwriters	First Overseas Capital Limited
Underwriting Agreement	The agreement dated January 06, 2023 entered into among the Underwriter and our Company.



Term	Description
UPI	Unified payments interface, which is an instant payment mechanism, developed by NPCI
UPI Applicants	Collectively, individual investors applying as Retail Individual Inventors in the Retail Portion, and Other than retail individual investors applying with an application size of more than ₹ 200,000 and up to ₹ 500,000 in the Other than Retail Investors category and applying under the UPI Mechanism.  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 ₹ 500,000 shall use UPI and shall provide their UPI ID in the application form submitted with: (i) 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), (ii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iii) 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 ID	ID created on the UPI for single-window mobile payment system developed by NPCI
UPI ID Linked Bank Account	Account of the RIIs, applying in the Offer using the UPI mechanism, which will be blocked upon accepting the UPI mandate to the extent of the appropriate application amount and subsequent debit of funds in the case of allotment.
UPI Mandate Request	A request (intimating the UPI Applicants by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI mobile application) to the UPI Applicants initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to application Amount and subsequent debit of funds in case of Allotment
UPI mechanism	The mechanism using UPI that may be used by UPI Applicants to make an application in the Offer in accordance with the SEBI Circulars
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI Regulations.
Working Day(s)	“Working Day” means all days on which commercial banks in Mumbai are open for business. However, in respect of - (a) announcement of Price Band; and (b) Offer period, working day shall mean all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Offer Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

### Company, Technical and Industry Related Terms

Term	Description
Agricultural Produce (Grading and Marking) Act	The Agricultural Produce (Grading and Marking) Act, 1937
Biological Diversity Act	The Biological Diversity Act, 2002
Biological Diversity Rules	The Biological Diversity Rules, 2003
Bioproducts	Bio products are eco-friendly products consisting of beneficial microorganisms of agricultural importance like fungus, bacteria, viruses and nematodes which are mainly used to control several crop pests and diseases, to enhance the productivity of soils either by fixing atmospheric nitrogen in soil or converting phosphorus from unavailable form to available form or stimulating plant growth through synthesis of growth promoting substances.
Bt. Cotton	Cotton Genetically Engineered to produce a natural insecticide that comes from the Bt bacterium, <i>Bacillus Thuringiensis</i> ...
CIMMYT	<i>Centro Inter Nacional Denejoramient De Maizy Rigo</i> (Spanish) - International Institute for Corn and Wheat Improvement (English Equivalent)
DAC	Department of agriculture & Corporation
DBT	Direct Benefit Transfer
Destructive Insects and Pests Act	The Destructive Insects and Pests Act, 1914

Term	Description
DG sets	Diesel Generator sets
DNA	Deoxyribonucleic Acid
DPSQ	Development and Strengthening of Infrastructure Facilities for Production and Distribution of Quality Seeds
EU	European Union
FAO	Food and Agriculture Organization
Fertiliser (Control) Order	The Fertiliser (Control) Order, 1985
FPO	Farmer Producer Organizations
GEAC	Genetic Engineering Approval Committee
General Grading and Marking Rules	General Grading and Marking Rules, 1988
GM	Genetically Modified
GoT	Grow out Test
Hybrid Seeds	Seeds produced by artificially cross-pollinated plants
ICAR	Indian Council for Agricultural Research
ICRISAT	International Crop Research Institute for the Semi-Arid Tropics
IFFCO	Indian Farmers' Fertiliser Cooperative Ltd.
IIPR	Indian Institute of Pulses Research
Insecticides Act	The Insecticides Act, 1968 & the Insecticides (Amendment) Act, 2000
IRRI	International Rice Research Institute
ISTA	International Seed Testing Association
IVRDC	International Vegetable Research and Development Corporation
KRIBHCO	Krishak Bharati Cooperative Limited
NAFED	National Agricultural Cooperative Marketing Federation of India Ltd.
MRP	Maximum Retail Price
MT	Metric Tonne
NPK	Nitrogen, Phosphorous and Potassium
NSC	National Seeds Corporation
NVT	National Variety Trials
OP seeds	Open Pollinated seeds
Patents Act	The Patents Act, 1970
Public bred varieties	Varieties / hybrids developed by agricultural universities or government funded organizations.
Proprietary hybrids	Varieties / hybrids developed by the private sector
Protection of Plant Varieties and Farmers' Rights Act	The Protection of Plant Varieties and Farmers' Rights Act, 2001
Protection of Plant Varieties and Farmers' Rights Regulations	The Protection of Plant Varieties and Farmers' Rights Regulations, 2006
Protection of Plant Varieties and Farmers' Rights Rules	The Protection of Plant Varieties and Farmers' Rights Rules, 2003
PVP	Plant Variety Protection
QMS	Standards for Quality Management
RCGM	Review Committee on Genetic Manipulation
RCMC	Registration-Cum-Membership Certificate
Seeds Act	The Seeds Act, 1966
Seeds Bill	The Seeds Bill, 2004
Seeds (Control) Order	The Seeds (Control) Order, 1983
Seeds Rules	The Seeds Rules, 1968
Seed Growing Farmers	Third-party farmers who assist us in growing seeds
SP	Self Pollinated
STL	Seed Testing Laboratories
TL seed	Truthful labelled seed
UPOV	Union Internationale Pour la protection des Obtentions Vegetales
	The International Union for the Protection of New Varieties of Plants (UPOV) is an intergovernmental organization with headquarters in Geneva (Switzerland).

**Conventional and General Terms and Abbreviations**

<b>Term</b>	<b>Description</b>
A/c	Account
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds
Air Act	Air (Prevention and Control of Pollution) Act, 1981
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
Authorised Dealers	Authorised Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
AY	Assessment Year
B. A.	Bachelor of Arts
B.Com	Bachelor of Commerce
Banking Regulation Act	Banking Regulation Act, 1949
Bn	Billion
Breeding Rules	Breeding of and Experiments on Animals (Control and Supervision) Rules, 1998
BSE	BSE Limited (formerly known as Bombay Stock Exchange Limited)
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investor(s)	FPIs registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	An FPI registered as a category II foreign portfolio investor under the SEBI FPI Regulations
Category III Foreign Portfolio Investor(s)	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CBEC	Central Board of Excise and Customs
CDSL	Central Depository Services (India) Limited
Central Sales Tax Act	Central Sales Tax Act, 1956
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Companies Act 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections)
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications, and modifications thereunder
Consolidated FDI Policy	The current consolidated FDI Policy, effective from June 7, 2016, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Copyright Act	The Copyright Act, 1957
CSR	Corporate Social Responsibility
Depositories Act	Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP	Depository Participant
DP ID	Depository Participant's identity number
DTC	Direct Tax Code, 2013
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting

Term	Description
Environment Protection Act	Environment Protection Act, 1986
EPF Act	Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
F&NG	Father and Natural Guardian
F&O	Futures and Options
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA 20	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations
Financial Year / Fiscal / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIPB	Foreign Investment Promotion Board
FMC	Forward Market Commission
FOB	Free on Board
Foreign Portfolio Investor or FPIs	A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FTA	The Foreign Trade (Development and Regulation) Act, 1992
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GoI/Government	Government of India
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
HUF(s)	Hindu Undivided Family(ies)
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
ISIN	International Securities Identification Number
ISO	International Standards Organization
KMP	Key Managerial Personnel
KW	Kilo Watt
LIBOR	London interbank offered rate
Ltd.	Limited
M. A	Master of Arts
M. Com.	Master of Commerce
M.B.A	Master of Business Administration
MAPIN	Market Participants and Investors' Integrated Database
Maternity Benefit Act	Maternity Benefit Act, 1961
MCA	The Ministry of Corporate Affairs, GoI
MCI	Ministry of Commerce and Industry, GoI
Minimum Wages Act	Minimum Wages Act, 1948
Mn	Million
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding

Term	Description
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NA	Not Applicable
NAV	Net asset value
NIFTY	National Stock Exchange Sensitive Index
NLEM 2011	National List of Essential Medicines – 2011
No.	Number
Non-Resident	A person resident outside India, as defined under FEMA Regulations
Non-Resident Indian/ NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPV	Net Present Value
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-resident Indian
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
NWR	Negotiable Warehouse Receipt
OCB	Overseas Corporate Bodies
Overseas Corporate Body / OCB	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 as defined under the Foreign Exchange Management (Deposit) Regulations, 2000. <b>OCBs are not allowed to invest in this Offer.</b>
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent account number
PAT	Profit after tax
Patents Act	Patents Act, 1970
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
PCA Act	Prevention of Cruelty to Animals Act, 1960
PIL	Public Interest Litigation
PPP	Public private partnership
Pvt./(P)	Private
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
RBI	The Reserve Bank of India
RoC or Registrar of Companies	The Registrar of Companies, Maharashtra
ROE	Return on Equity
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (Venture Capital) Regulations	Securities and Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Act	Securities and Exchange Board of India Act, 1992

<b>Term</b>	<b>Description</b>
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
Sec.	Section
SENSEX	Bombay Stock Exchange Sensitive Index
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SITP	Scheme for integrated textile parks
SME	Small and Medium Enterprise
SSI	Small Scale Industry
STT	Securities Transaction Tax
TPH	Tonnes per hour
Trademarks Act	The Trademarks Act, 1999
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act, 1933
US\$ or USD or US Dollar	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VCF	Venture Capital Funds
VCFs	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
Wages Act	Payment of Wages Act, 1936
Workmen's Compensation Act	Workmen's Compensation Act, 1923

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

### **Certain Conventions**

In this Draft Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Nirman Agri Genetics Limited”, “Proprietary concern - Nirman Agri Genetics” and “NIRMAN”, unless the context otherwise indicates or implies, refers to Nirman Agri Genetics Limited. All references in this Draft Prospectus to “India” are to the Republic of India. All references in this Draft Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

### **Financial Data**

Unless stated otherwise, the financial data in this Draft Prospectus is derived from our audited financial years ended March 31, 2022 and 2021 and for the period ended October 31, 2022 (including that of “Proprietary concern - Nirman Agri Genetics”) and from audited financial years ended March 31, 2022, 2021 and 2020 of “Proprietary concern - Nirman Agri Genetics”, prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations which are included in this Draft Prospectus, and set out in *‘Financial Statements’* on page 128. 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, so all references to a particular financial year are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are significant differences between the Indian GAAP, the International Financial Reporting Standards (the “IFRS”) and the Generally Accepted Accounting Principles in the United States of America (the “U.S. GAAP”). Accordingly, the degree to which the financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, the Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations on the financial disclosures presented in this Draft Prospectus should accordingly be limited. We have not attempted to quantify the impact of the IFRS or the U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide a reconciliation of our financial statements to those under the U.S. GAAP or the IFRS and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Certain figures contained in this Draft Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points, except for figures in percentage. 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. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

### **Currency and units of presentation**

In this Draft Prospectus, unless the context otherwise requires, all references to (a) ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India; (b) ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America. All references to the word ‘Lakh’ or ‘Lac’ or ‘Lacs’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lakhs’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One thousand Million’. Any percentage amounts, as set forth in *“Risk Factors”*, *“Our Business”*, *“Management’s Discussion and Analysis of Financial Conditions and Results of Operation”* and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated based on our Restated Financial Statement.

### **Industry and Market Data**

Unless stated otherwise, industry and market data used throughout this Draft Prospectus has been obtained or derived from internal Company reports and industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, our Company believes that industry data used in this Draft Prospectus is reliable, it has not been independently verified. Further, the extent to which the industry and market data presented in this Draft Prospectus is meaningful depends on the reader’s familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD-LOOKING STATEMENTS

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

These forward looking statements can generally be identified by words or phrases such as “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- general economic and business conditions in the markets in which we operate and in the local, regional, and national and international economies;
- our ability to successfully implement strategy, growth and expansion plans and technological initiatives;
- our ability to respond to technological changes;
- our ability to attract and retain qualified personnel;
- the effect of wage pressures, hiring patterns and the time required to train and productively utilize new employees;
- general social and political conditions in India which have an impact on our business activities or investments;
- potential mergers, acquisitions restructurings and increased competition;
- occurrences of natural disasters or calamities affecting the areas in which we have operations;
- market fluctuations and industry dynamics beyond our control;
- changes in the competition landscape;
- our ability to finance our business growth and obtain financing on favourable terms;
- our ability to manage our growth effectively;
- our ability to compete effectively, particularly in new markets and businesses;
- changes in laws and regulations relating to the industry in which we operate changes in government policies and regulatory actions that apply to or affect our business;
- developments affecting the Indian economy; and
- Inability to meet our obligations, including repayment, financial and other covenants under our debt financing arrangements.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 18, 87 and 152 respectively.

Forward looking statements reflects views as of the date of this Draft Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company / our Directors nor the Lead Manager, nor any of its affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange.



## SECTION II - SUMMARY OF THE OFFER DOCUMENT

### A. Summary of Business & Industry:

#### *Summary of Business:*

We are one of the organized Agri-Input Company in India engaged in the business of production, processing and marketing of high-quality hybrid seeds, Pesticides, Bio-organic for different crops like corn, sunflower, cotton, paddy, grain sorghum, etc. and have recently forayed into micronutrients and bioproducts. We also produce non-hybrid seeds, primarily for paddy.

Our Promoter and Managing Director, Pranav Kailas Bagal, is a Diploma holder in Agriculture from National Backward Krushi Vidhyapeeth, Solapur, Maharashtra. He has around six years of experience in the field of Marketing of Agriculture inputs, managing customer relations and trade terms, managing manufacturing and supply chain strategies, managing costs and establish strategic partnerships with farmers, vendors and service providers etc. He has been associated with our Company as Director since incorporation. Prior to starting our Company, he has done Agri-inputs business in Proprietary concern M/s. Nirman Agri Genetics from 2018 till the time same is taken over by our Company and before that he has worked as Marketing Manager with Shivam Krushi Sheti Udhog Kendra engaged in whole sale and retail distribution of seeds, pesticides, fertilisers and agriculture related equipments.

We have attained over four years of experience in this seed business through our Company and Proprietary concern of our Promoter and are working towards our objective of developing seeds having superior yield potential, drought tolerance, tolerance to pests and diseases etc.

We currently have production, processing and R&D facilities in Maharashtra at Nashik and Nimgul. Our research mainly focuses on developing superior hybrids in different crops like corn, cotton, sunflower, paddy, bajra, etc. All the seed varieties developed by our R&D team are marketed under the brand name of 'Nirman Agri Genetics'. We expect our R&D facilities to drive the future growth of our Company.

In the year 2022, we began to market bio-pesticides, bio-fertilizers, micronutrients, fertilizer mixtures & plant growth regulators under the name and style of "Nirman Agri Genetics". Seeds, bio-fertilizers, micronutrients etc. are related products having the same end user i.e. the farmer, and are usually sold through similar dealer networks. With a view of achieving the benefit of synergy in marketing the aforesaid products we have recently added them to our products portfolio. We believe that this addition of products would enable us to address the needs of the farmers like plant protection and nourishment. We have a processing unit at Nashik and are marketing its products in some parts of southern India and Maharashtra. We have marketing network with loyal and committed distributors / dealers in Maharashtra Madhya Pradesh & Gujarat.

Our focus is to become a leading crop solutions provider to the farmer by supplying high yielding hybrid seeds and crop management through micronutrients, bioproducts etc. For achieving this, we are engaging in research and development efforts in the areas of superior breeding programmes and biotechnology tools that will enable us to develop highly effective and differentiated hybrid seeds, micronutrients and bioproducts.

#### *Summary of Industry:*

### INDIAN ECONOMY OVERVIEW

Source: <https://www.ibef.org/economy/indian-economy-overview>

### INTRODUCTION

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

Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock. Real GDP in the first quarter of 2022-23 is currently about 4% higher than its corresponding 2019-20, indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022-2023. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

## AGRICULTURE AND ALLIED INDUSTRIES IN INDIA

<https://www.ibef.org/industry/agriculture-india>

### INTRODUCTION

India is one of the major players in the agriculture sector worldwide and it is the primary source of livelihood for about 58% of India's population. India has the world's largest cattle herd (buffaloes), largest area planted to wheat, rice, and cotton, and is the largest producer of milk, pulses, and spices in the world. It is the second-largest producer of fruit, vegetables, tea, farmed fish, cotton, sugarcane, wheat, rice, cotton, and sugar. Agriculture sector in India holds the record for second-largest agricultural land in the world generating employment for about half of the country's population. Thus, farmers become an integral part of the sector to provide us with means of sustenance.

Consumer spending in India will return to growth in 2021 post the pandemic-led contraction, expanding by as much as 6.6%. The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year due to its immense potential for value addition, particularly within the food processing industry. The Indian food processing industry accounts for 32% of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth.

### MARKET SIZE

According to Inc42, the Indian agricultural sector is predicted to increase to US\$ 24 billion by 2025. Indian food and grocery market is the world's sixth largest, with retail contributing 70% of the sales. As per the third advance estimates, foodgrain production in India is estimated to be 314.51 MT in FY 2021-22. Rapid population expansion in India is the main factor driving the industry. The rising income levels in rural and urban areas, which have contributed to an increase in the demand for agricultural products across the nation, provide additional support for this. In accordance with this, the market is being stimulated by the growing adoption of cutting-edge techniques including blockchain, artificial intelligence (AI), geographic information systems (GIS), drones, and remote sensing technologies, as well as the release of various e-farming applications.

### INDIAN SEEDS INDUSTRY

The Indian seed industry has had a long history spreading over more than a century. It initially began with trading in vegetable and flower seeds in the early part of this century. Seed related reforms pertaining to hybridization began in the early 1980's, when the GoI decided to provide public-bred breeder seed to private companies for multiplication and distribution. Further, starting in the mid-1980's accessibility to research institutions, both international and national was provided to private seed firms for directly obtaining breeder seed. The seed related reforms initiated in 1980's thus catalysed growth of the private seed sector in the country. As a consequence, the Indian seed industry is experiencing quantitative and qualitative changes in composition, market expansion and production technologies. Along with the increasing size of the seed market, its composition is also rapidly changing, with more and more private companies not only intensifying but also diversifying their market as well as product coverage.

The Indian seed market is among the top ten largest in the world, estimated to be about US\$5.5 billion in 2022. (Source: ISF Secretariat) Aside from our Company, the notable seed companies in India include Pioneer, Mahyco, Monsanto India, ProAgro, Syngenta and Nuziveedu Seeds.

The Government is concerned about the stagnation in the production and productivity of pulses. A critical deficiency is the availability and quality of certified seeds. Government therefore proposes to expand the Integrated Oilseeds, Oil palm, Pulses and Corn Development programme. There will be a sharper focus on scaling up the production of breeder, foundation and certified seeds. The Indian Institute of Pulses Research (IIPR), Kanpur, the National and State level seeds corporations, agricultural universities, ICAR centres, KRIBHCO, IFFCO and NAFED as well as large private sector companies will be invited to submit plans to scale up the production of seeds. Government will fund the expansion of IIPR, Kanpur, and offer the other producers a capital grant or concessional financing in order to double the production of certified seeds within a period of three years. (Source: Union Budget : Finance Minister's speech)

### B. Promoters:

Pranav Kailas Bagal

**C. Offer Size:**

INITIAL PUBLIC OFFERING OF UP TO 20,50,800 EQUITY SHARES OF ₹10 EACH (“EQUITY SHARES”) OF NIRMAN AGRI GENETICS LIMITED (“NIRMAN” OR THE “COMPANY”) FOR CASH AT A PRICE OF ₹99.00 PER EQUITY SHARE (THE “OFFER PRICE”), AGGREGATING TO ₹2030.29 LAKHS (“THE OFFER”). OF THE OFFER, 1,04,400 EQUITY SHARES AGGREGATING TO ₹103.36 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE OFFER LESS THE MARKET MAKER RESERVATION PORTION I.E. OFFER OF 19,46,400 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH AT AN OFFER PRICE OF ₹99.00 PER EQUITY SHARE AGGREGATING TO ₹1,926.94 LAKHS IS HEREINAFTER REFERRED TO AS THE “NET OFFER”.

**D. Objects of the Offer:**

The proposed utilisation of the Net Proceeds from fresh issue is set forth below:

S. No.	Object	Amount Proposed to be Utilised from the Net Proceeds (₹ in lakhs)
1.	Funding additional working capital requirements	1,182.19
2.	Investment in Strategic Acquisition / Joint Venture	200.00
3.	Purchase of Computer and other hardware	50.63
4.	General Corporate Purposes	367.47
5.	Offer Expenses	230.00
	<b>Total</b>	<b>2,030.29</b>

**E. Pre-Offer Shareholding of Promoters, Promoter Group:**

Sr.	Particulars	Pre-Offer	
		No. of Shares	% Holding
a)	<b>Promoters</b>		
	Pranav Kailas Bagal	39,08,464	99.96
	<b>Total</b>	<b>39,08,464</b>	<b>99.96</b>
b)	<b>Promoter Group</b>		
	Kailas Bhimrao Bagal	256	0.007
	Avinash Bhimrao Bagal	256	0.007
	Rajashri Avinash Bagal	256	0.007
	Tushar Avinash Bagal	256	0.007
	<b>Total</b>	<b>1,024</b>	<b>0.03</b>
	<b>Grand Total</b>	<b>39,09,488</b>	<b>99.99</b>

**F. Summary of Financial Information:**

Particulars	(₹ in Lakhs)		
	31.10.22	FY 2022	FY 2021
Share Capital	256.00	1.00	1.00
Net Worth	447.51	264.41	6.47
Revenue	1,804.28	1,348.91	382.21
Profit After Tax	230.44	256.02	5.47
Basic and Diluted Earnings per Equity Share (Considering bonus in all previous years) (in ₹)	9.00	10.00	0.21
Net Asset Value/Book Value per Equity share (Considering bonus in all previous years) (in ₹)	17.48	10.33	0.25
Total Borrowings	171.41	124.67	99.19

Our Annual Reports and financial statements are also available on our website at: [www.nirmanagrigen.com](http://www.nirmanagrigen.com).

**G. Auditor qualifications which have not been given effect to in the Restated Financial Information:**

There are no auditor qualifications which would require adjustments in the Restated Financial Information and for which no such effect has been given.

**H. Summary of Outstanding Litigations:**

For further details *regarding* the same, please refer to the chapter titled ‘*Outstanding Litigations and Material Developments*’ beginning on page 164 of the Draft Prospectus.

**I. Risk Factors:**

Please see ‘*Risk Factors*’ beginning on page 18.

**J. Summary of Contingent Liabilities of our Company:**

We do not have any contingent liabilities as on October 31, 2022.

**K. Summary of Related Party Transactions:**

Following is related party transactions of our Company during the period covered by Restated Financial Statement in this offer document:

(Rs. Lakhs)				
Name	On account	31.10.22	31.03.22	31.03.21
Mr. Pranav Kailas Bagal	Director Remuneration	0.58	1.00	0.00

For further details please refer “Annexure V- Related Party Transaction” on page 146, under the section titled “Financial Information” beginning on page 128 of this Draft Prospectus.

**L. Financing Arrangements:**

There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Draft Prospectus.

**M. Weighted Average Price of the Equity Shares acquired by the Promoter in the last one year preceding the date of this Draft Prospectus:**

Other than as mentioned below, the Promoters have not acquired any Equity Shares in the last one year preceding the date of this Draft Prospectus:

Name of the Promoter	No. of Shares	Average cost of acquisition (in ₹)
Pranav Kailas Bagal	39,03,370	3.71

For further details please refer to Note 10(a) in the chapter titled “Capital Structure” beginning on page 49.

**N. Average cost of acquisition of shares for promoter:**

Name of the Promoter	Average cost of acquisition (in ₹)
Pranav Kailas Bagal	3.72

**O. Pre-IPO Placement:**

The Company does not intend to undertake Pre-IPO Placement in the Offer.

**P. Issue of equity shares made in last one year for consideration other than cash**

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

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration
October 10, 2022	25,50,000	10	Nil	Bonus Issue in the ratio of 255:1	Other than Cash
December 02, 2022	11,00,000	10	10	Allotment pursuant to acquisition of Proprietary Concern	Other than Cash

**Q. Split / Consolidation of Equity Shares in the last one year**

There was no split / consolidation of the Equity Shares of our Company since incorporation.

### SECTION III - RISK FACTORS

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties summarised below, before making an investment in our Equity Shares. The risks described below are relevant to, the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with 'Our Business' and 'Management's Discussion and Analysis of Financial Condition and Results of Operations' on page 87 and 152 respectively, of this Draft Prospectus as well as the other financial and statistical information contained in this Draft Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in 'Financial Statements' on page 128 of this Draft Prospectus. Unless stated otherwise, the financial data in this section is as per our financial statements prepared in accordance with Indian GAAP, as restated.*

*If any one or more of the following risks as well as other risks and uncertainties discussed in this Draft Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of your investment.*

*This Draft Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in this Draft Prospectus.*

*These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.*

#### **Materiality**

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

- 1. Some events may not be material individually but may be material when considered collectively.*
- 2. Some events may have an impact which is qualitative though not quantitative.*
- 3. Some events may not be material at present but may have a material impact in the future.*

#### **INTERNAL RISKS**

- 1. There are certain outstanding legal proceeding involving our Promoter and Promoter Entities which may adversely affect our business, financial condition and results of operations.***

There are certain proceedings pending at different levels of adjudication before various authorities, enquiry officers and appellate forums. Such proceedings could divert management time, attention and consume financial resources in their defense. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition and results of operations. A summary of the outstanding proceedings against our Company and Group Companies as disclosed in this Draft Prospectus, to the extent quantifiable, have been set out below:

<b>Nature of case</b>	<b>Number of cases</b>	<b>Amount involved (in ₹lakhs)</b>
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Our Promoter</b>		
Criminal Suits (S. 138 of Negotiable Instrument Act)	3 cases filed by us	2.05
Civil Suits	1	Not Ascertainable
<b>Our Directors</b>		
Civil Suits	1	Not Ascertainable

*The table above does not include those penalties, interests and costs, if any, which may be imposed or which may have been pleaded but not quantified in the course of legal proceedings, or which the Court / Tribunal otherwise has the*

*discretion to impose. The imposition and amount of such penalties / interests / costs are at the discretion of the court / tribunal where the case is pending. Such liability, if any, would crystallize only on the order of the tribunal where the case(s) is / are pending.*

For further details, please refer to section titled "Outstanding Litigation and Material Developments" beginning on page 164 of this Draft Prospectus.

***2. Our business is subject to risks related to weather, disease and pests that could adversely affect the results of our operations and our financial condition.***

Agri-inputs industry is subject to all the risks faced by the agriculture in India. The agri-inputs industry is substantially subject to weather factors, which make its operational results relatively unpredictable. Weather among other factors also affects the presence of disease and pests in the short term on a regional basis. Though most of our products are prepared keeping tolerance levels in mind, extreme weather conditions, disease and pests can potentially affect quality and quantity of a substantial portion of our products in any year and have a material adverse effect on our business, results of operations and financial condition.

***3. The agri-inputs business is highly seasonal in our country and such seasonality may affect our operating results..***

The agri-inputs business is highly seasonal in our country. Our raw material supplies are seasonal and our sales are also seasonal in nature. This is due to the fact that majority of our seed products, at present, are sold in the Kharif season though some products are also sold in the Rabi season. Further, majority of the farmers depend on rain for cultivation. Generally rainfall occurs during Kharif season and hence, the timing and seasonality of rainfall also impacts the business of our Company. Thus, we are subject to seasonal factors, which make our operating results relatively unpredictable. We recognize revenues upon the sale of our agri-input products. Our sales activities, as far as seeds are concerned, take place only after the seeds have been planted, harvested and prepared for sale. Traditionally, the revenues recorded during planting and harvesting seasons are lower compared to revenues recorded during the periods following such seasons. During periods of lower sales activities, we continue to incur substantial operating expenses, but our revenues are usually lower. Due to the inherent seasonality of our business, results of one reporting period (quarter/half year/year) may not be necessarily comparable with preceding or succeeding reporting periods.

Further, the results of one reporting period (particularly quarters, half years) may not be compared to the other reporting period because sales of the first half of the financial year i.e. April to September are generally more compared to the second half of the financial year i.e. October to March. Sometimes, if there is a slight change in timing of rain fall, the sales will get deferred from one reporting period to another reporting period. For example, generally part of sales of cotton, corn, sunflower take place in the month of March, but if the rainfall gets delayed, these sales will take place during subsequent months that fall under different financial year. The sales that were supposed to take place during one financial year will be added to sales of the next financial year and therefore results of even full financial year may not necessarily be comparable to other financial year.

***4. We have not entered into long-term contracts with our major customers and typically operate on the basis of purchase orders, which could adversely impact our revenues and profitability.***

We generate sales generally by our continuing relationships with our customers as we do not enter in any long- term contract with our customers. We manage a wide range portfolio of products which are being sold under our brand name “



” and are also sold under the brand name of the manufacturers.

Our existing client relationships help us to get repeat business from our customers. This has helped us maintain a long term working relationship with our customers and improve our customer retention strategy. Through these efforts, we aim to become the “first choice vendor” for all large and small customer which intend to procure products and services we offer. We combine our expertise with an understanding of the agriculture market developed through market feedback and extensive interaction with various companies. We constantly try to address customer needs with a variety of products.

However, any change in the buying pattern of our end users or disassociation of major customers can adversely affect our business. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations. Although we believe that we have satisfactory business relations with our customers and have received continued business from them in the past, there is no certainty that the same will continue in the years to come and may affect our profitability.

**5. *Introduction of alternative products caused by changes in technology or consumer needs may affect demand for our existing products which may adversely affect our financial results and business prospects.***

Our business is affected by change in technology, consumer needs, market perception of brand, health etc. Our ability to anticipate such changes and to continuously innovate / develop and introduce new and enhanced products successfully on a timely basis will be a key factor in our growth and business prospects. There can be no assurance that we will be able to keep pace with the technological advances that may be necessary for us to remain competitive. Further, any substantial change in preference of consumers who are end users of products produced from our products will affect our customers businesses and, in turn, will affect the demand for our products. Any failure to forecast and/or meet the changing demands and consumer needs may have an adverse effect on our business, profitability and growth prospects.

**6. *There may be changes in the regulatory framework governing the Indian seeds industry that could adversely affect us.***

The Indian seeds industry is a substantially regulated sector, presently regulated inter alia by the Seeds Act, 1966; the Seeds Rules, 1968, the Seeds (Control) Order, 1983; and the National Seeds Policy, 2002. In light of the many changes in the seeds industry since 1966, the Central Government and the Maharashtra State Government have proposed the Seeds Bill, 2004 and the Maharashtra Seeds Regulation Bill, 2004, respectively, which call for more stringent means of consumer / farmer protection by regulating the quality of seeds produced and ensuring further compliance in this regard. Thus, the statutory and regulatory framework for the Indian seed industry may see changes in the future which may be extensive. We presently do not know what the nature or extent of the changes, if any, will be and cannot assure you that any such changes will not have an adverse impact on our business, results of operations and financial condition.

For a discussion of the regulatory framework governing the Indian seeds industry, please refer to the chapter titled ‘Key Industry Regulations and Policies’ beginning on page 98 of this Draft Prospectus.

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

Our business requires significant amount of working capital and major portion of our working capital is utilized towards debtors and inventories. Our, Trade Receivables for the period ended October 31, 2022, March 31, 2021 and March 31, 2020 were ₹ 510.59 lakhs, ₹ 422.64 lakhs and ₹ 61.46 lakhs respectively and our inventories for the period ended October 31, 2022, March 31, 2021 and March 31, 2020 were ₹ 187.04 lakhs, ₹ 64.46 lakhs and ₹ 20.12 lakhs respectively.

The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if our management fails to accurately evaluate the terms and conditions with our customers, it may lead to write-offs bad debts and/ or delay in recoveries which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. In the event we are not able to recover our dues from our trade receivables or sell our inventory, we may not be able to maintain our Sales level and thus adversely affecting our financial health.

**8. *Our Promoter and Managing Director, Pranav Kailas Bagal plays key role in our functioning and we heavily rely on his knowledge and experience in operating our business and therefore, it is critical for our business that our Promoter remain associated with us. Further, our success also depends on our key managerial personnel and our ability to attract and retain them. Any loss of our key person could adversely affect our business, operations and financial condition.***

The success of our business operations is attributable to our Promoter and Directors and the key managerial team. We believe that our relation with our Promoter, who has experience in marketing, managing customers and handling overall businesses, has enabled us to experience growth and profitability. Our Promoter, Pranav Kailas Bagal has industry experience of around 6 years. He has been actively involved in the day-to-day operations and management since the incorporation of the Company. Further, our Promoter/ Directors have also promoted other companies/ firms/ ventures and may continue to do so. If they divert their attention to the other companies, we may not be able to function as efficiently



and profitably as before. We may have to incur additional costs to replace the services of our Promoter or we may not be able to do so at all, which could adversely affect our business operations and affect our ability to continue to manage and expand our business. The loss of service of the Promoter and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and key managerial personnel, please refer to Section “Our Management” on page 103 of this Draft Prospectus.

***9. Increased competition may result in decreased demand or lower prices for our products. Our failure to effectively compete could reduce our profitability.***

We face substantial competition due to technological advances by our competitors in various facets of the agri-inputs business. Multinational corporations who invest huge amounts of money considerable resources on Research and Development and in technology are able to come out with very effective and highly improved versions of hybrids. For example, Bt. Cotton, a very effective hybrid developed by MNC Company has given very tough competition to all other seed companies. Other seed companies are sharing that technology by paying royalty to that MNC Company. Hence, these types of technological advances force us to face increased competition. Our competitors include MNCs as well as Domestic companies, on the basis of availability of products, product range, product traits as well as for production inputs, such as arable land and seed growers. Further, the introduction of biotechnology has resulted in the entry of various agro-input companies into the seed industry, thus increasing the competition in the industry.

In most facets of the agri-inputs business, the number of products available to the farmer is steadily increasing as new products are introduced. As a result, we anticipate that we will continue to face newer and different competitive challenges. The period for developing and commercializing a hybrid can run into several years. If a competitor introduces a product more suited to farmer needs, it could take a long period for us to develop a suitably competing product, which could have a material adverse effect on our business, results of operations and financial condition.

Some of our competitors may have, or are subsidiaries of large international corporations that have, significantly greater resources than those available to us. If we are unable to compete effectively, including in terms of pricing or providing quality products, our market share may decline, which could have a material adverse effect on our financial condition and results of operations.

***10. Substantial portion of our revenues has been dependent upon limited number of customers.***

Revenue from our top 10 customers constituted 42.87% and 48.33% of our revenue from operations for period/ year ending October 31, 2022 and March 31, 2022 respectively. We do not have firm commitment supply agreements with most of our customers and other terms of our sales of products. The loss of any significant client would have a material effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients or that we will be able to replace these clients in case we lose any of them. While we are constantly striving to increase our customer base and reduce dependence on any particular customer, there is no assurance that we will be able to broaden our customer base in any future periods or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.

***11. Our failure to accurately forecast and manage inventory could result in an unexpected shortfall and/or surplus of products, which could harm our business.***

We monitor our inventory levels based on our own projections of future demand. Because of the length of time necessary to produce commercial quantities of our products, we must make production decisions well in advance of sales. An inaccurate forecast of demand for any product can result in the unavailability/surplus of products. This unavailability of products in highdemand may depress sales volumes and adversely affect customer relationships. Conversely, an inaccurate forecast can also result in an over-supply of products, which may increase costs, negatively impact cash flow, reduce the quality of inventory, erode margins substantially and ultimately create write-offs of inventory. There may be more than one such inaccurate forecasts in one season. Any of the aforesaid circumstances could have a material adverse effect on our business, results of operations and financial condition.

***12. We are heavily dependent on the success of our research and development and the failure to develop new and improved products could adversely affect our business.***

Agri-input product life cycles are getting shorter due to technological advancements and growing competition. This has created an urgent need to have in the pipeline an assortment of products which can successfully replace the current products

as well as achieve market share objectives. Our success depends heavily on our ability to continue developing new products. Seed R&D covers a broad technological platform and technological advances are frequent, rapid and complex. We cannot assure you that we shall make enhanced R&D investments or continue the current level of R&D investments in our business, or that this investment will yield satisfactory results in terms of new and improved products, or will yield any results at all. The development process for new varieties of seeds is lengthy and costly. On an average, it takes three to five years, depending on the crop, for a proprietary hybrid to reach commercial viability. Despite investments in this area, our research and development efforts may not result in the discovery or successful development of new products.

Further, R&D and new innovations, if any, resulting from the same are subject to certain inherent threats like piracy and/or theft, other competitors developing relevant technologies/innovations before us due to which our costs and efforts go waste, etc. For further information on the steps being taken by our Company against threats like piracy and theft of R & D and new innovations, please refer to the heading titled ‘Steps being taken by our Company against piracy and theft’ on page no. 75 under the chapter titled ‘Business Overview’ beginning on page no. 64 of this Red Herring Prospectus. There can be no assurance that a new product will be commercially successful. In addition, research undertaken by competitors may lead to the launch of competing or improved products that may affect the sales of our products. If our R&D efforts do not result in a pipeline of products that can be commercially exploited, our business, results of operations and financial condition may be adversely affected.

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

Our business operations require us to obtain and renew from time to time, certain approvals, licenses, registrations and permits, some of which may expire and for which we may have to make an application for obtaining the approval or its renewal. We will be applying for certain approvals relating to our business. If we fail to maintain such registrations and licenses or comply with applicable conditions, or a regulatory authority claims we have not complied, with these conditions, our certificate of registration for carrying on a particular activity may be suspended and/or cancelled and we will not then be able to carry on such activity. This could materially and adversely affect our business, financial condition, and results of operations. We cannot assure you that we will be able to obtain approvals in respect of such applications or any application made by us in the future. For more information about the licenses required in our business and the licenses and approvals applied for, please refer “Government and Other Approvals” on page 168 of this Draft Prospectus, respectively.

***14. Because we operate in a highly competitive industry, our revenues, profits or market share could be harmed if we are unable to compete effectively.***

The segments of the industry in which we operate are subject to intense competition. Our principal competitors are other manufacturers or suppliers of the similar products we market or distribute, including other major manufacturers with well-established and recognized brands. We also compete against smaller traders and independent and local suppliers and operators. If we are unable to compete successfully, our revenues or profits may decline or our ability to maintain or increase our market share may be diminished.

We compete primarily on brand name recognition and reputation, customer satisfaction, quality of service etc. Some of our competitors are larger than we are in terms of size of operations and our competitors may also have greater financial and marketing resources than we do, which could allow them to improve their properties and expand and improve their marketing efforts in ways that could affect our ability to compete for guests effectively. In addition, industry consolidation may exacerbate these risks.

***15. Operational risks are inherent in our business as it includes rendering products and services at high quality standards. A failure to manage such risks could have an adverse impact on our business, results of operations and financial condition.***

Certain operational risks are inherent in our businesses due to the nature of the industry in which we operate. Our operations are subject to various operating and business risks. Our products require proper packaging and labelling and the careful and hygienic handling of products, which if improperly packaged or handled may have an adverse impact on the health of the end users. Consequently, our business is associated with certain safety, privacy and public health concerns. Failure to effectively implement our corporate, crisis response, training and management policies and protocols and to adequately address and manage risks inherent in our business, or a failure to meet the requirements of our guests, or a failure to develop effective risk mitigation measures, could have an adverse effect on our reputation, guest loyalty and consequently, our business, results of operations and financial condition.

**16. *We could become liable to customers, suffer adverse publicity and incur substantial costs as a result of deficiency in our products, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.***

Any deficiency in the medical and healthcare devices or products marketed and distributed by us could result in a claim against us for damages, regardless of our responsibility for such a failure or defect. We cannot assure that all our products would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity. Also, our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our company, brand, or products, including any mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations.

**17. *We are subject to risks arising from interest rate fluctuations, which could adversely affect our results of operations, planned expenditures and cash flows.***

As of October 31, 2022, a part of our indebtedness was at floating interest rates. If the interest rates of our existing or future borrowings increase significantly, our cost of funds will increase. A further increase in interest rates (or the current high interest rate environment not changing) may have an adverse effect on our results of operations and financial condition. While we could consider refinancing the loan or hedging interest rate risks in appropriate cases, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks. Further, if such arrangements do not protect us adequately against interest rate risks, they would result in higher costs.

**18. *We have referred to the data derived from internal Company reports and industry and government publications, publicly available information, and sources.***

Unless stated otherwise, industry and market data used throughout this Draft Prospectus has been obtained or derived from internal Company reports and industry and government publications, publicly available information, and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, our Company believes that industry data used in this Draft Prospectus is reliable, it has not been independently verified. Further, the extent to which the industry and market data presented in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

**19. *Our business is geographically concentrated largely in one region, Maharashtra. Any loss or shutdown of operations at any of our facilities in this area may have an adverse effect on our business and results of operations.***

Majority of our business is based in Maharashtra. This concentration of our business in Maharashtra, subjects us to various risks, including but not limited to the following risks:

- regional natural disasters;
- vulnerability to change of policies, laws and regulations or the political and economic environment of Western Indian and mainly Mumbai;
- constraints on our ability to diversify across states;
- perception by our potential clients, that we are a regional advertising and marketing company, which hampers us from competing against other large companies at a national level.

Further, any political disruptions, natural calamities or civil disruptions, opposition and protests, particularly in locations where we operate, could adversely affect our business operations or strategy. There is no assurance that such disruption in business operations would not bring any hindrance in the functioning of our manufacturing Units. Consequently, our business, results of operations, cash flows and financial condition have been and will continue to be heavily dependent on the performance of, and the prevailing conditions affecting the agricultural industry and overall economy in Maharashtra.

**20. *Our inability to manage growth could disrupt our business and reduce our profitability.***

A principal component of our strategy is to continue to grow by expanding the size and geographical scope of our businesses. This growth strategy will place significant demands on our management, financial and other resources. It will

require us to continuously develop and improve our operational, financial, and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values, and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition, and adversely affect our results of operations.

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

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the Offer. We meet our capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Offer or any shortfall in the Offer Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “Objects of the Offer” beginning on page 58 of the Draft Prospectus.

**22. *We do not own our Registered Office from which we operate.***

We do not own the premises on which our Registered Office is situated. Our Company has taken the registered office i.e. Vedant Apartment, Near Reliance Shpee, Dindori Road, Panchavati, Nashik – 422 003 Maharashtra, India on leave & license basis. There can be no assurance that our Company will be able to successfully renew the above leave and license agreement in a timely manner or at all and that we may be continue to use the office in case of no formal agreements. Further there can be no assurance that we will not face any disruption of our rights as a licensee and that such leave and license agreement will not be terminated prematurely by the licensor. Any such non-renewal or early termination or any disruption of our rights as licensee may require us to vacate the premises and relocate to a new premises on terms that may not be favourable to us thereby adversely affecting our business, financial conditions and results of operations. If the owner of the premises, revoke this agreement or impose terms and conditions that are unfavorable to us, we may suffer a disruption in our operations or have to pay increased rent, which could have a material adverse effect on our business, prospects, results of operations and financial condition. For further details of our office premises please refer to the section titled "Our Business" on pages 87 of the Draft Prospectus.

**23. *Our results of operations are likely to vary from year to year and be unpredictable, which could cause the market price of the Equity Shares to be volatile.***

Our results of operations in any given year can be influenced by a number of factors, many of which are outside of our control and may be difficult to predict, including:

- maintaining high levels of customer satisfaction;
- costs relating to our operations;
- adhering to our high quality and process execution standards;
- pricing policies introduced by our competitors;
- the timing and nature of, and expenses incurred in, our marketing efforts;
- recruiting, training, and retaining sufficient skilled technical and management personnel;
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems;

Also, please refer “*Management's Discussion and Analysis of Financial Condition and Results of Operations*” on page 152 for details on the factors affecting our financial results. All of these factors, in combination or alone could negatively impact our revenues and may cause significant fluctuations in our results of operations. This variability and unpredictability could materially and adversely affect our results of operations and financial condition.

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

We have entered into related party transactions with our Promoters, Promoter Group, Group Entities and Directors. For details of these transactions, please refer “*Related Party Transactions*” on page 126.

We cannot assure you that we will be able to maintain the terms of such transactions or in the event that we enter future transactions with related parties, that the terms of the transactions will be favourable to us. Additionally, while it is our

belief that all our related party transactions have been conducted on an arm's-length basis, we cannot provide assurance that we could have achieved more favourable terms had such transactions been entered with third parties. We may also enter related party transactions in the future, which could involve conflicts of interest, although going forward, all related party transactions that we may enter will be subject to audit committee or board or shareholder approval, as applicable, as under the Companies Act, 2013 and the SEBI (LODR) Regulations. As such, we can provide no assurance that these transactions will not adversely affect our business, results of operation, cash flows and financial condition.

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

In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that requires us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the Shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders' approval may adversely affect our business or operations. Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Offer as prescribed in the SEBI (ICDR) Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected. Therefore, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition, and may adversely affect our business and results of operations.

**26. Our funding requirements and deployment of the Offer Proceeds are based on management estimates and have not been independently appraised by any bank or financial institution.**

Our funding requirements and the deployment of the proceeds of the Offer are based on management estimates and our current business plan. The fund requirements and intended use of proceeds have not been appraised by bank or financial institution and are based on our estimates. In view of the competitive and dynamic nature of our business, we may have to revise our expenditure and fund requirements as a result of variations including in the cost structure, changes in estimates and other external factors, which may not be within the control of our management. This may entail rescheduling, revising, or cancelling the planned expenditure and fund requirement and increasing or decreasing the expenditure for a particular purpose from its planned expenditure at the discretion of our board. In addition, schedule of implementation as described herein are based on management's current expectations and are subject to change due to various factors some of which may not be in our control.

**27. Our Company's management will have flexibility in utilizing the Net Proceeds. There is no monitoring agency appointed by our Company and the deployment of funds is at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.**

The deployment of the funds towards the objects of the Offer is entirely at the discretion of the Board of Directors/Management and is not subject to monitoring by external independent agency. As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Offer size above ₹ 10,000.00 lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Offer Proceeds. However, the audit committee of our Board will monitor the utilization of Offer Proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Offer Proceeds to NSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public. Any inability on our part to effectively utilize the Offer Proceeds could adversely affect our financials.

**28. We have experienced negative cash flows in the past. Any such negative cash flows in the future could adversely affect our business, results of operations and prospects.**

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

(₹ in lakhs)

Particulars	Period ended October 31, 2022	Fiscal 2022	Fiscal 2021
Net Cash from Operating Activities	(50.22)	(4.60)	(26.73)
Net cash from Investing Activities	(39.31)	(0.73)	0.00

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. Such negative cash flows lead to a net decrease in cash and cash equivalents. Any negative cash flow in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares. For further details, please refer “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 128 and 152, respectively.

**29. Our Company has availed certain unsecured loans that are callable by the lenders at any time.**

As on October 31, 2022, our Company has availed certain unsecured loans from Directors that are callable on demand. The total amount of outstanding as on October 31, 2022 is ₹ 161.65 Lakhs. For further details of these unsecured loans, refer “Financial Indebtedness” on page 163. In case of any demand from our lenders for repayment of such unsecured loans, the resultant cash outgo, may adversely affect our business operations and financial position of our Company.

**30. We have not made any dividend payments in the past and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.**

In the past, we have not made dividend payments to the shareholders of our Company. The amount of our future dividend payments, if any, will depend upon various factors including our future earnings, financial condition, cash flows and requirement to fund operations and expansion of the business. There can be no assurance that we will be able to declare dividends. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors. For further details, see “Dividend Policy” on page 127.

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

After the completion of this IPO, our Promoter and promoter group will beneficially own approximately 65.59% of our post-Issue equity share capital. As a result, the Promoters and Promoter Group may have the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company’s best interest. In addition, for so long as the Promoter Group continues to exercise significant control over the Company, they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. The Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

**32. Our Company has not registered the trademark. Our ability to use the trademark may be impaired if the same is not registered under our name.**

Our Company is not the legal owner of any of the logos used by us in our business as well as of Company logo and hence we do not enjoy the statutory protections accorded to a registered trademark and are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party.

The registration of any trademark is a time-consuming process, and there can be no assurance that any such registration will be granted as and when applied. In the absence of such registration, competitors or other companies may challenge the validity or scope of our intellectual property. These trademarks are integral to our business, and the loss of any of these intellectual property rights could have a material adverse effect on our business.

There can be no assurance that we will be able to obtain the registration of our trademarks in a timely manner, or at all. If any of our unregistered trademarks are registered in favour of a third party, we may not be able to claim registered ownership of such trademarks and consequently, we may be unable to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities. If our application is objected to, we will not have the right to use this trademark or prevent others from using this trademark or its variations. Our inability to obtain or maintain this trademark in our business thus could adversely affect our reputation, goodwill, business, prospectus and results of operations.

**33. Our financing agreements contain covenants that limit our flexibility in operating our business. Our inability to**

***meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.***

As of October 31, 2022, our total outstanding indebtedness was ₹ 171.41 lakhs (including both short term and long term borrowings). Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our businesses. Further, our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. We are required to obtain prior approval from our lenders for, among other things:

- alteration of the capital structure of our Company and certain Subsidiaries, if any, in any manner;
- undertaking any term loans borrowings;
- making changes to our management set up;
- making any change in ownership and shareholding pattern, including effecting any change in our actual and beneficial ownership or control, of our Company and certain Subsidiaries;
- making any investment in group companies, joint ventures or associates;
- effecting any amalgamation, merger, reconstruction, takeover or consolidation in relation to our Company and certain Subsidiaries;
- amending the memorandum and articles of association of our Company and certain Subsidiaries;
- concluding any fresh borrowing arrangements, either secured or unsecured, with any other lender;
- creation of further charge, lien or encumbrance on assets hypothecated with our lenders;
- effecting any material change in the management of our business or our operating structure;
- undertaking new projects or implementing any scheme of expansion or acquiring fixed assets;
- making any investment by way of subscription to share capital of, and loans, deposits or advances to, any other entity (including our group companies and associate companies);
- undertaking guarantee obligations on behalf of any other lender or any third party;
- declaring dividends; and
- effecting any repayment of loans and deposits and discharging other liabilities except those shown in the fund flow statements submitted to our lenders from time to time.

We are required to obtain the consents of the lenders under our financing agreements before undertaking these significant corporate actions. We cannot assure you that the lenders will grant the required approvals in a timely manner, or at all. The time required to secure consents may hinder us from taking advantage of a dynamic market environment. In addition to the restrictions listed above, we are required to maintain certain financial ratios under our financing agreements. These financial ratios and the restrictive provisions could limit our flexibility to engage in certain business transactions or activities. Additionally, our financing agreements are secured by our movable, immovable or intangible assets (whether existing or future), goods and work-in-progress (whether existing or future) and by personal guarantees of our Promoter. Such financing agreements enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. It is possible that we may not have sufficient funds upon such an acceleration of our financial obligations to pay the principal amount and interest in full. Further, if we are forced to issue additional equity to the lenders, ownership interest of the existing shareholders in our Company will be diluted. It is also possible that future financing agreements may contain similar or more onerous covenants and may also result in higher interest cost. If any of these events were to occur, our business, results of operations and financial condition may be adversely affected.

***34. Our Promoter and members of Promoter Group have mortgaged their personal properties and provided personal guarantees for our borrowings to secure our loans. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoter and members of Promoter Group in connection with our Company's borrowings.***

Our Promoter and Managing Director, has provided personal guarantees/assurance for our borrowings to secure our loans. If any of these guarantees/assurances are revoked, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoter and Promoter Group in connection with our Company's borrowings.

**35. *Our insurance coverage may not adequately protect us against all material hazards and the policies do not cover all risks. In the event of the occurrence of such events, our insurance coverage may not adequately protect us against possible risk of loss.***

Our business could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which may not be fully compensated by insurance. We maintain insurance for burglary policy and standard fire and special perils policy, which provides insurance cover against loss or damage by fire, earthquake, terrorism etc. and also, which we believe, is in accordance with customary industry practices. Our insurance policies, however, may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. Further, with respect to the insurances maintained by us, we cannot assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. Further, there can be no assurance 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 loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected.

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

We have no experience as a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public 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 (LODR) Regulations, which require us to file audited / unaudited reports periodically 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 timely as other listed companies.

As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, for which significant resources and management overview will be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition, and results of operations. Further, we may need to hire additional legal and accounting staff with appropriate and relevant experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner or at all.

## **EXTERNAL RISKS**

**37. *Any downturn in the macroeconomic environment in India could adversely affect our business, results of operations, cash flows and financial condition.***

India is our key market. For Fiscal 2022, entire of our Company's revenue from operations was from India. In addition, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and our business, results of operations, cash flows and financial condition.

**38. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, in the jurisdictions in which we operate may adversely affect our business and results of operations.***

Our business is subject to various laws and regulations, which are evolving and subject to change. For details, see "Key Industrial Regulations and Policies in India" on page 98. We are also subject to corporate, taxation and other laws in effect in India, which require continued monitoring and compliance. These laws and regulations and the way in which they are implemented and enforced may change. There can be no assurance that future legislative or regulatory changes will not have any adverse effect on our business, results of operations, cash flows and financial condition.

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

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in



India, or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

**40. *Significant differences exist between Ind AS and Indian GAAP and other accounting principles, such as IFRS and US GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.***

Our financial statements for the period October 31, 2022 and for Fiscals 2022 and 2021 included in this Draft Prospectus are prepared and presented in conformity with Indian GAAP and restated in accordance with the requirements the SEBI (ICDR) Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2016)” issued by the ICAI. Ind AS differs from Indian GAAP and other accounting principles with which prospective investors may be familiar in other countries, such as IFRS and U.S. GAAP. Accordingly, the degree to which the Financial Statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Persons not familiar with Indian accounting practices should limit their reliance on the financial disclosures presented in this Draft Prospectus.

**RISKS RELATING TO THE EQUITY SHARES AND THE OFFER**

**41. *Investors bear the risk of fluctuations in the price of Equity Shares and there can be no assurance that a liquid market for our Equity Shares will develop following the listing of our Equity Shares on the Stock Exchanges.***

There has been no public market for our Equity Shares prior to the Offer. The price may not necessarily be indicative of the market price of our Equity Shares after the Offer is completed. You may not be able to re-sell your Equity Shares at or above the Offer price and may as a result lose all or part of your investment.

Our Equity Shares are expected to trade on Emerge Platform of NSE after the Offer, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

The price at which our Equity Shares will trade at after the Offer will be determined by the marketplace and may be influenced by many factors, including:

- Our financial condition, results of operations and cash flows;
- The history of and prospects for our business;
- An assessment of our management, our past and present operations, and the prospects for as well as timing of our future revenues and cost structures; and
- The valuation of publicly traded companies that are engaged in business activities similar to ours;
- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations, or capital commitments;
- announcements of significant claims or proceedings against us;
- new laws and government regulations that directly or indirectly affect our business;
- additions or departures of Key Management Personnel;
- changes in the interest rates;
- fluctuations in stock market prices and volume; and general economic conditions.

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in our Equity Shares may experience a decrease in the value of our Equity Shares regardless of our financial performance or prospects.

**42. Any future issuance of Equity Shares by us or sales of Equity Shares by the Promoters could adversely affect the trading price of our Equity Shares and in the case of the issuance of Equity Shares by us result in the dilution of our then current shareholders.**

As disclosed in “Capital Structure” on page 49, an aggregate of at least 20% of our fully diluted post-Offer capital held by our Promoters shall be considered as minimum Promoters’ contribution and locked in for a period of three years and the balance Equity Shares held by the Promoters will be locked-in for one year from the date of Allotment. Except for the customary lock-in on our ability to issue equity or equity-linked securities discussed in “Capital Structure” on page 49, there is no restriction on our ability to issue Equity Shares. As such, there can be no assurance that our Company will not issue additional Equity Shares after the lock-in period expires or that the Promoters will not sell, pledge or encumber their Equity Shares after the lock-in periods expire. Future issuances of Equity Shares or convertible securities and the sale of the underlying Equity Shares could dilute the holdings of our Shareholders and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the then trading price of our Equity Shares or the Issue Price. Sales of Equity Shares by the Promoters could also adversely affect the trading price of our Equity Shares.

**43. You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.**

Previously, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long term capital gains tax in India if Securities Transaction Tax (“STT”) was paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of Equity Shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹ 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. 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.

**44. QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.**

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting an application. Retail Individual Bidders can revise their applications during the Offer Period and withdraw their applications until Offer Closing Date. While we are required to complete Allotment, listing and commencement of trading pursuant to the Offer within six Working Days from the Offer Closing Date, events affecting the Bidders’ decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows and financial condition may arise between the date of submission of the Bid and Allotment, listing and commencement of trading. We may complete the Allotment, listing and commencement of trading of our Equity Shares even if such events occur and such events may limit the Bidders’ ability to sell our Equity Shares Allotted pursuant to the Offer or may cause the trading price of our Equity Shares to decline on listing.

**45. Political, economic, or other factors that are beyond our control may have an adverse effect on our business and results of operations.**

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors’ reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability,

including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity, and the price of our Equity Shares.

Our performance, growth and market price of our Equity Shares are and will be dependent on the health of the Indian economy. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional, and global economies. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, cash flows and financial condition. Also, a change in the Government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

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

Our business and financial performance could be adversely affected by any change in laws or interpretations of existing laws, or the promulgation of new laws, rules and regulations applicable to us and our business including those relating to the industry in which we operate. There can be no assurance that the Government of India or state governments will not introduce new laws, regulations and policies which will require us to obtain additional approvals and licenses or impose onerous requirements on our business.

For example, the new Companies Act, 2013 contains significant changes to Indian company law, including in relation to the issue of capital by companies, disclosures in offer documents, related party transactions, corporate governance, audit matters, internal controls, shareholder class actions, restrictions on the number of layers of subsidiaries, prohibitions on loans to directors, insider trading and restrictions on directors and key management personnel from engaging in forward dealing. Moreover, effective April 1, 2014, companies exceeding certain net worth, revenue or profit thresholds are required to spend at least 2% of average net profits from the immediately preceding three financial years on corporate social responsibility projects, failing which an explanation is required to be provided in such companies' annual reports.

The Ministry of Finance has issued a notification dated March 31, 2015 notifying ICDS which creates a new framework for the computation of taxable income. Subsequently, the Ministry of Finance, through a press release dated July 6, 2016, deferred the applicability of ICDS from April 1, 2015 to April 1, 2016 and is applicable from FY 2017 onwards and will have impact on computation of taxable income for FY 2017 onwards. ICDS deviates in several respects from concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. Such specific standards for computation of income taxes in India are relatively new, and the impact of the ICDS on our results of operations and financial condition is uncertain. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition going forward.

The Government of India has recently approved the adoption of a comprehensive national goods and services tax ("GST") regime that will combine taxes and levies by the Central and State Governments into a unified rate structure, with effect from July 1, 2017. Given the limited availability of information in the public domain concerning the GST, we cannot provide any assurance as to this or any other aspect of the tax regime following implementation of the GST. The implementation of this rationalized tax structure may be affected by any disagreement between certain state governments, which may create uncertainty. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, because of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

We have not determined the effect of such legislations on our business. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability,

interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

**47. *Investors may have difficulty enforcing foreign judgments against us or our management.***

We are a limited liability company incorporated under the laws of India. All our directors and executive officers are residents of India and all our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside of India, or to enforce judgments obtained against such parties outside of India.

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 recognise 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. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. 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 Central Government 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 penalty.

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 years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

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 were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. 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.

**48. *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 price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Emerge Platform of NSE may not develop or be sustained after the Offer. Our Company and the Lead Manager have appointed NNM SECURITIES PRIVATE LIMITED as Designated Market Maker for the Equity Shares of our Company. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares 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 the

Emerge Platform of NSE, securities markets in other jurisdictions, 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.

## SECTION IV – INTRODUCTION

## THE OFFER

Following table summarises the present Offer in terms of this Draft Prospectus:

Particulars	Details of Equity Shares
<b>Offer of Equity Shares #</b>	<b>Offer of 20,50,800 Equity Shares having face value of ₹10.00 each at a price of ₹99.00 per Equity Share (including a share premium of ₹89.00 per Equity share) aggregating ₹2,030.29 lakhs</b>
<b>Of which:</b>	
<b>Fresh Issue</b>	20,50,800 Equity Shares having face value of ₹10.00 each at a price of ₹99.00 per Equity Share (including a share premium of ₹89.00 per Equity share) aggregating ₹2,030.29 lakhs
<b>The Offer Comprises:</b>	
Market Maker Reservation Portion	Offer of 1,04,400 Equity Shares having face value of ₹10.00 each at a price of ₹99.00 per Equity Share aggregating ₹103.36 lakhs
Net Offer to the Public*	Offer of 19,46,400 Equity Shares having face value of ₹10.00 each at a price of ₹99.00 per Equity Share aggregating ₹1,926.94 lakhs
	<b>Of which:</b>
	9,73,200 Equity Shares having face value of ₹10.00 each at a price of ₹99.00 per Equity Share aggregating ₹963.47 lakhs will be available for allocation to Retail Individual Investors
	9,73,200 Equity Shares having face value of ₹10.00 each at a price of ₹99.00 per Equity Share aggregating ₹963.47 lakhs will be available for allocation to other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.
<b>Pre and Post Offer Share Capital of our Company</b>	
Equity Shares outstanding prior to the Offer	39,10,000 Equity Shares
Equity Shares outstanding after the Offer	59,60,800 Equity Shares
Objects of the Offer	Please refer “Objects of the Offer” on page 58.

# Public offer of 20,50,800 Equity Shares of ₹10.00 each for cash at a price of ₹99.00 per Equity Share of our Company aggregating to ₹2,030.29 lakhs is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details see ‘Terms of the Offer’ on page 183.

The offer has been authorised by our Board pursuant to a resolution dated January 04, 2023, and by our Equity Shareholders pursuant to a resolution passed at the extraordinary general meeting held on January 06, 2023.

\*As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present Offer is a fixed price offer the allocation in the net offer to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to:
  - i. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

*If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.*

## SUMMARY FINANCIAL INFORMATION OF OUR COMPANY

## STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(₹ in Lakhs)

Particulars	Note No.	31.10.22	31.03.22	31.03.21
<b>Equity &amp; Liabilities</b>				
<b>Shareholders Fund</b>				
Share capital	I.1	256.00	1.00	1.00
Reserves and surplus	I.2	191.51	263.41	5.47
<b>Total Shareholder's Fund</b>		<b>447.51</b>	<b>264.41</b>	<b>6.47</b>
<b>Non Current Liabilities</b>				
Long Term Borrowings	I.3	171.41	124.67	99.19
Long term provisions		0.00	0.00	0.00
Deferred Tax Liability		0.00	0.00	0.00
<b>Total Current Liabilities</b>		<b>171.41</b>	<b>124.67</b>	<b>99.19</b>
<b>Current Liabilities</b>				
Short Term Borrowings		0.00	0.00	0.00
Trade Payables	I.4	89.31	98.27	37.60
Other Current Liabilities	I.5	42.87	18.88	18.88
Short Term Provisions	I.6	164.60	89.64	1.92
<b>Total Current Liabilities</b>		<b>296.78</b>	<b>206.79</b>	<b>58.40</b>
<b>Total Equity &amp; Liability</b>		<b>915.70</b>	<b>595.87</b>	<b>164.06</b>
<b>Non-Current Assets</b>				
a) Fixed Assets				
Tangible Assets	I.7	36.40	0.51	0.00
Intangible Assets		0.00	0.00	0.00
<b>Total Fixed Assets (a)</b>		<b>36.40</b>	<b>0.51</b>	<b>0.00</b>
b) Non Current Investments		0.00	0.00	0.00
c) Long Term Loans and Advances		0.00	0.00	0.00
d) Other Non Current Assets	I.8	0.04	0.03	0.00
e) Deferred Tax Assets		0.00	0.00	0.00
<b>Total Non Current Assets</b>		<b>0.38</b>	<b>0.54</b>	<b>0.00</b>
<b>Current assets</b>				
Current Investments	I.9	1.75	0.00	0.00
Inventories	I.10	187.04	64.46	20.12
Trade Receivables	I.11	510.59	422.64	61.46
Cash and Cash Equivalents balances	I.12	50.08	93.49	73.45
Short Term Loans and advances	I.13	129.03	12.95	7.00
Other Current Assets	I.14	0.77	1.79	2.03
<b>Total Current Assets</b>		<b>879.26</b>	<b>595.33</b>	<b>164.06</b>
<b>Total Assets</b>		<b>915.70</b>	<b>595.87</b>	<b>164.06</b>

## STATEMENT OF PROFIT &amp; LOSS AS RESTATED

(₹ in Lakhs)

Particulars	Note No.	31.10.22	31.03.22	31.03.21
<b>Income</b>				
Revenue from Operations	II.1	1,804.28	1,348.91	382.21
Other Income		0.00	0.00	0.00
<b>Total Revenue</b>		<b>1,804.28</b>	<b>1,348.91</b>	<b>382.21</b>
<b>Expenditure</b>				
Cost of Material Consumed	II.2	1,434.17	942.71	348.02
Employee Benefit Expenses	II.3	40.56	50.24	16.47
Other Expenses	II.4	16.62	13.53	10.32
<b>Total (B)</b>		<b>1,491.35</b>	<b>1,006.48</b>	<b>374.81</b>
<b>Profit Before Interest, Depreciation and Tax</b>		<b>312.93</b>	<b>342.43</b>	<b>7.40</b>
Depreciation & amortisation expenses		3.42	0.19	0.00
<b>Profit Before Interest and Tax</b>		<b>309.51</b>	<b>342.24</b>	<b>7.40</b>
Financial Charges	II.5	0.62	0.11	0.01
<b>Profit before Taxation</b>		<b>308.89</b>	<b>342.13</b>	<b>7.39</b>
Provision for Taxation		78.46	86.14	1.92
Provision for Deferred Tax		-0.01	-0.03	0.00
<b>Total Taxes</b>		<b>78.45</b>	<b>86.11</b>	<b>1.92</b>
<b>Profit After Tax but Before Extra ordinary Items</b>		<b>230.44</b>	<b>256.02</b>	<b>5.47</b>
Extraordinary Items		0.00	0.00	0.00
Prior Period Items		0.00	0.00	0.00
<b>Net Profit after adjustments</b>		<b>230.44</b>	<b>256.02</b>	<b>5.47</b>
<b>Net Profit Transferred to Balance Sheet</b>		<b>230.44</b>	<b>256.02</b>	<b>5.47</b>



## STATEMENT OF CASH FLOWS AS RESTATED

(₹ in Lakhs)

PARTICULARS	31.10.22	31.03.22	31.03.21
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit Before Tax	308.89	342.13	7.39
Adjusted for :			
a. Depreciation	3.42	0.19	0.00
b. Interest Expenses & Finance Cost	0.62	0.11	0.01
c. Interest & Other Income	0.00	0.00	0.00
d. Other Adjustment – Profits of Proprietary Concern	(47.34)	0.00	0.00
<b>Operating profit before working capital changes</b>	<b>265.59</b>	<b>342.43</b>	<b>7.40</b>
Adjusted for :			
a. Decrease /(Increase) in Inventories	(122.58)	(44.34)	(20.12)
b. Decrease / (Increase) in trade receivable	(87.95)	(361.18)	(61.46)
c. Decrease / (Increase) in Current Investments	(1.75)	0.00	0.00
d. (Increase) / Decrease in short term loans and advances	(116.08)	(5.95)	(7.00)
e. Increase / (Decrease) in Trade Payables	(8.96)	60.67	37.60
f. Increase / (Decrease) in short term provisions	74.96	87.72	1.92
g. Increase / (Decrease) in other current liabilities	23.99	0.00	18.88
h. (Increase) / Decrease in Other Current Assets	1.02	0.24	(2.03)
<b>Cash generated from operations</b>	<b>28.24</b>	<b>79.59</b>	<b>(24.81)</b>
Income Tax Paid (net of refunds)	78.46	84.19	1.92
<b>NET CASH GENERATED FROM OPERATION</b>	<b>(50.22)</b>	<b>(4.60)</b>	<b>(26.73)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
a. (Purchase) / Sale of Fixed Assets	(39.30)	(0.70)	0.00
b. (Purchase) / Sale of non-current investment	0.00	0.00	0.00
c. (Increase) / Decrease in Long term loans and advances	0.00	0.00	0.00
d. Increase / (Decrease) in Long Term Provisions	0.00	0.00	0.00
e. (Increase) / Decrease in Other Non Current Assets	(0.01)	(0.03)	0.00
f. (Increase) in Misc. Expenses	0.00	0.00	0.00
g. Interest & Other Income	0.00	0.00	0.00
h. Dividend Income	0.00	0.00	0.00
<b>Net cash (used) in investing activities</b>	<b>(39.31)</b>	<b>(0.73)</b>	<b>0.00</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
a. Interest & Finance Cost	(0.62)	(0.11)	(0.01)
b. Proceeds from share issued / application	0.00	0.00	1.00
c. ( Repayments ) / proceeds of long term borrowings	46.74	25.48	99.19
d. ( Repayments ) / proceeds of short term borrowings	0.00	0.00	0.00
<b>Net cash generated/(used) in financing activities</b>	<b>46.12</b>	<b>25.37</b>	<b>100.18</b>
<b>Net Increase / ( Decrease ) in cash and cash equivalents</b>	<b>(43.41)</b>	<b>20.04</b>	<b>73.45</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>93.49</b>	<b>73.45</b>	<b>0.00</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>50.08</b>	<b>93.49</b>	<b>73.45</b>

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

**PROFORMA CONSOLIDATED SUMMARY FINANCIAL INFORMATION OF OUR COMPANY AND PROPRIETARY CONCERN**

**PROFORMA STATEMENT OF ASSETS AND LIABILITIES AS RESTATED**

(₹ in Lakhs)

Particulars	Note No.	31.10.22	31.03.22	31.03.21	31.03.20
<b>Equity &amp; Liabilities</b>					
<b>Shareholders Fund</b>					
Share capital	I.1	256.00	1.00	1.00	0.00
Reserves and surplus incl. Proprietors Capital	I.2	256.70	304.00	32.71	17.99
<b>Total Shareholder's Fund</b>		<b>512.70</b>	<b>305.00</b>	<b>33.71</b>	<b>17.99</b>
<b>Non Current Liabilities</b>					
Long Term Borrowings	I.3	181.17	204.06	99.19	22.16
Long term provisions		0.00	1.00	0.40	0.40
Deferred Tax Liability (Net)		0.00	0.00	0.00	0.00
<b>Total Current Liabilities</b>		<b>181.17</b>	<b>205.06</b>	<b>99.59</b>	<b>22.56</b>
<b>Current Liabilities</b>					
Short Term Borrowings		0.00	0.00	0.00	0.00
Trade Payables	I.4	154.01	171.45	79.61	2.89
Other Current Liabilities	I.5	65.36	41.42	37.27	36.05
Short Term Provisions	I.6	164.60	89.64	1.92	0.00
<b>Total Current Liabilities</b>		<b>383.97</b>	<b>302.51</b>	<b>118.80</b>	<b>38.94</b>
<b>Total Equity &amp; Liability</b>		<b>1,077.84</b>	<b>812.57</b>	<b>252.10</b>	<b>79.49</b>
<b>Non-Current Assets</b>					
a) Fixed Assets					
Tangible Assets	I.7	58.57	77.67	4.42	3.73
Intangible Assets		0.00	0.00	0.00	0.00
Capital WIP		0.00	0.00	0.00	0.00
<b>Total Fixed Assets (a)</b>		<b>58.57</b>	<b>77.67</b>	<b>4.42</b>	<b>3.73</b>
b) Non Current Investments		0.00	0.00	0.00	0.00
c) Long term Loans and Advances		0.00	0.00	0.00	0.00
d) Other Non Current Assets	I.8	0.04	0.03	0.00	0.00
e) Deferred Tax Assets		0.00	0.00	0.00	0.00
<b>Total Non Current Assets</b>		<b>58.61</b>	<b>77.70</b>	<b>4.42</b>	<b>3.73</b>
<b>Current assets</b>					
Current Investments	I.9	3.50	1.75	3.39	1.17
Inventories	I.10	241.83	87.87	54.40	41.28
Trade Receivables	I.11	571.47	460.89	76.46	5.00
Cash and Cash Equivalents balances	I.12	71.03	121.82	96.31	27.10
Short Term Loans and advances	I.13	130.63	60.50	13.99	0.30
Other Current Assets	I.14	0.77	2.04	3.13	0.91
<b>Total Current Assets</b>		<b>1,019.23</b>	<b>734.87</b>	<b>247.68</b>	<b>75.76</b>
<b>Total Assets</b>		<b>1,077.84</b>	<b>812.57</b>	<b>252.10</b>	<b>79.49</b>

**PROFORMA STATEMENT OF PROFIT & LOSS AS RESTATED**

(₹ in Lakhs)

Particulars	Note No.	31.10.22	31.03.22	31.03.21	31.03.20
<b>Income</b>					
Revenue from Operations	II.1	1,804.28	1,838.75	778.23	258.61
Other Income		0.00	0.00	0.00	0.17
<b>Total Revenue</b>		<b>1,804.28</b>	<b>1,838.75</b>	<b>778.23</b>	<b>258.78</b>
<b>Expenditure</b>					
Cost of Material consumed	II.2	1,434.17	1,367.43	707.11	229.27
Employee Benefit Expenses	II.3	40.56	77.72	26.96	9.63
Other Expenses	II.4	16.62	27.31	20.52	4.13
<b>Total (B)</b>		<b>1,491.35</b>	<b>1,472.46</b>	<b>754.59</b>	<b>243.03</b>
<b>Profit Before Interest, Depreciation and Tax</b>		<b>312.93</b>	<b>366.29</b>	<b>23.64</b>	<b>15.75</b>
Depreciation and Amortisation Expenses		3.42	1.86	0.79	0.69
<b>Profit Before Interest and Tax</b>		<b>309.51</b>	<b>364.43</b>	<b>22.85</b>	<b>15.06</b>
Financial Charges	II.5	0.62	1.18	0.23	0.04
<b>Profit before Taxation</b>		<b>308.89</b>	<b>363.25</b>	<b>22.62</b>	<b>15.02</b>
Provision for Taxation		78.46	90.64	4.02	1.95
Provision for Deferred Tax		-0.01	-0.03	0.00	0.00
<b>Total Taxes</b>		<b>78.45</b>	<b>90.61</b>	<b>4.02</b>	<b>1.95</b>
<b>Profit After Tax but Before Extra ordinary Items</b>		<b>230.44</b>	<b>272.64</b>	<b>18.60</b>	<b>13.07</b>
Extraordinary Items		0.00	0.00	0.00	0.00
Prior Period Items		0.00	0.00	0.00	0.00
<b>Net Profit after adjustments</b>		<b>230.44</b>	<b>272.64</b>	<b>18.60</b>	<b>13.07</b>
<b>Net Profit Transferred to Balance Sheet</b>		<b>230.44</b>	<b>272.64</b>	<b>18.60</b>	<b>13.07</b>

**PROFORMA STATEMENT OF CASH FLOWS AS RESTATED**

(₹ in Lakhs)

PARTICULARS	31.10.22	31.03.22	31.03.21	31.03.19
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit Before Tax	326.23	363.25	22.62	15.02
Adjusted for :				
a. Depreciation	5.54	1.86	0.79	0.69
b. Interest Expenses & Finance Cost	1.12	1.18	0.23	0.04
c. Interest & Other Income	0.00	0.00	0.00	(0.17)
d. Other Adjustment - Profits of Proprietary concern	(47.34)	0.00	0.00	0.00
<b>Operating profit before working capital changes</b>	<b>285.55</b>	<b>366.29</b>	<b>23.64</b>	<b>15.58</b>
Adjusted for :				
a. Decrease /(Increase) in Inventories	(153.96)	(33.47)	(13.12)	(41.28)
b. Decrease / ( Increase ) in trade receivable	(110.58)	(384.43)	(71.46)	(3.37)
b. Decrease / ( Increase ) in Current Investments	(1.75)	1.64	(2.22)	(1.17)
c. ( Increase ) / Decrease in short term loans and advances	(70.13)	(46.51)	(13.69)	(0.30)
d. Increase / ( Decrease ) in Trade Payables	(17.44)	91.84	76.72	2.89
e. Increase / (Decrease) in short term provisions	74.96	87.72	1.92	0.00
f. Increase / ( Decrease ) in other current liabilities	23.94	4.15	1.22	36.05
g. ( Increase ) / Decrease in Other Current Assets	1.27	1.09	(2.22)	(0.91)
<b>Cash generated from operations</b>	<b>31.86</b>	<b>88.32</b>	<b>0.79</b>	<b>7.49</b>
Income Tax Paid ( net of refunds )	81.92	88.66	4.02	1.95
<b>NET CASH GENERATED FROM OPERATION</b>	<b>(50.06)</b>	<b>(0.34)</b>	<b>(3.23)</b>	<b>5.54</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
a. (Purchase) / Sale of Fixed Assets	24.77	(75.12)	(1.48)	(4.42)
b.( Purchase) / Sale of non-current investment	0.00	0.00	0.00	0.00
c. ( Increase ) / Decrease in Long term loans and advances	0.00	0.00	0.00	0.00
d. Increase / ( Decrease ) in Long Term Provisions	(1.00)	0.60	0.00	0.40
e. ( Increase ) / Decrease in Other Non Current Assets	(0.01)	(0.03)	0.00	0.00
f. (Increase) in Misc. Expenses	0.00	0.00	0.00	0.00
g. Interest & Other Income	0.00	0.00	0.00	0.17
h. Dividend Income	0.00	0.00	0.00	0.00
<b>Net cash (used) in investing activities</b>	<b>23.76</b>	<b>(74.55)</b>	<b>(1.48)</b>	<b>(3.85)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
a. Interest & Finance Cost	(1.12)	(1.18)	(0.23)	(0.04)
b. Proceeds from share issued	(0.48)	(3.29)	(2.88)	(0.08)
c. ( Repayments ) / proceeds of long term borrowings	(22.89)	104.87	77.03	22.16
d. ( Repayments ) / proceeds of short term borrowings	0.00	0.00	0.00	0.00
<b>Net cash generated/(used) in financing activities</b>	<b>(24.49)</b>	<b>100.40</b>	<b>73.92</b>	<b>22.04</b>
<b>Net Increase / ( Decrease ) in cash and cash equivalents</b>	<b>(50.79)</b>	<b>25.51</b>	<b>69.21</b>	<b>23.73</b>
Cash and cash equivalents at the beginning of the year	121.82	96.31	27.10	3.37
<b>Cash and cash equivalents at the end of the year</b>	<b>71.03</b>	<b>121.82</b>	<b>96.31</b>	<b>27.10</b>

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

## GENERAL INFORMATION

Our Company was incorporated as Nirman Agri Genetics Private Limited on August 19, 2020 under the Companies Act, 2013 with the Registrar of Companies, Mumbai bearing Registration number 344089. The status of the Company was changed to public limited and the name of our Company was changed to Nirman Agri Genetics Limited vide Special Resolution passed at EGM dated December 05, 2022. The fresh certificate of incorporation consequent to conversion was issued on January 03, 2023 by the Registrar of Companies, Mumbai.

<b>Company Identification Number</b>	U01110MH2020PLC344089
<b>Address of Registered office of Company</b>	Vedant Apartment, Near Reliance Shopee, Dindori Road, Panchavati, Nashik – 422 003 Maharashtra, India
<b>Address of Registrar of Companies</b>	<b>Address:</b> Everest, 100, Marine Drive, Mumbai – 400002 <b>Tel No:</b> + 91 22 22812627/22020295/22846954 <b>Fax No:</b> +91 22 22811977
<b>Designated Stock Exchange</b>	National Stock Exchange of India Limited
<b>Listing of Shares offered in this Offer</b>	Emerge Platform of NSE
<b>Contact Person:</b>	<b>Kamlesh Yadav,</b> <b>Company Secretary and Compliance Officer</b> Vedant Apartment, Near Reliance Shopee, Dindori Road, Panchavati, Nashik – 422 003 Maharashtra, India Tel: +91 253 2943101 Fax: Not Available E-mail: cs@nirmanagrigen.com Website: www.nirmanagrigen.com

For details of the changes in our Name, Registered Office and other details, please refer “*History and Certain Other Corporate Matters*” on page 106.

### Our Board of Directors

Details regarding our Board of Directors as on the date of this Draft Prospectus are set forth in the table hereunder:

Sr. No.	Name and Designation	PAN	DIN	Address
1.	<b>Pranav Kailas Bagal</b> <i>Managing Director</i>	EHJPB8209L	08839908	01, Niram House, Saraswati Nagar, Opp. Seva Auto, Old Agra Road, Nashik-422 003, Maharashtra, India
2.	<b>Avinash Bhimrao Bagal</b> <i>Non-Executive Non-Independent Director</i>	ALPPB4029E	09807701	At post Nimgul, Taluka Sindhkheda, District Dhule – 425408, Maharashtra, India
3.	<b>Prakash Narayandas Sawana</b> <i>Independent Director</i>	AXVPS0005K	07260370	Flat No. B-16, Jayesh Park, Kamatwada Road, Near Matale Mangal Karyalay Kamatwada, Trimurti Chowk, Nashik - 422008, Maharashtra, India
4.	<b>Abhishek Shivnarayan Gupta</b> <i>Independent Director</i>	CZPPG2424J	09815590	Near RTO Office, Vidya Bhavan RTO Corner, Makhamalabad, Flat No. 4/5, Nashik – 422003, Maharashtra, India
5.	<b>Riddhi Nitin Aher</b> <i>Independent Director</i>	DBIPA8787A	09815607	New Adgaon, Flat No. 01, Guumauli Residency, Sant Janardhan Swami Nagar, Panchvati, Nashik – 422003, Maharashtra, India

For detailed profile of our Managing Director and other Directors, please refer “*Our Management*” and “*Our Promoters and Promoter Group*” on page 110 and 121 respectively.

### Company Secretary and Compliance Officer

Our Company has appointed Kamlesh Yadav, the Company Secretary of our Company, as the Compliance Officer, whose contact details are set forth hereunder.

**Kamlesh Yadav**

Vedant Apartment,  
Near Reliance Shopee,  
Dindori Road,  
Panchavati, Nashik – 422 003  
Maharashtra, India  
Tel: +91 253 2943101  
E-mail: cs@nirmanagrigen.com  
Website: www.nirmanagrigen.com

### Chief Financial Officer

Our Company has appointed Sandipan Baburao Bhawar, as the Chief Financial Officer. His contact details are set forth hereunder.

**Sandipan Baburao Bhawar**

Vedant Apartment,  
Near Reliance Shopee,  
Dindori Road,  
Panchavati, Nashik – 422 003  
Maharashtra, India  
Tel: +91 253 2943101  
E-mail: cfo@nirmanagrigen.com  
Website: www.nirmanagrigen.com

**Applicants can contact the Compliance Officer or the Lead Manager 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, credit of Allotted Equity Shares in the respective beneficiary account and refund orders, etc. All complaints, queries or comments received by Stock Exchange / SEBI shall be forwarded to the Lead Manager, who shall respond to the same.**

Applicants may contact the Lead Manager for complaints, information or clarifications pertaining to the Offer.

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicant should give full details such as name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

### Details of Key Intermediaries pertaining to this Offer of our Company:

Lead Manager of the Offer	Registrar to the Offer
<b>FIRST OVERSEAS CAPITAL LIMITED</b> 1-2 Bhupen Chambers, Dalal Street, Fountain, Mumbai – 400 001, Maharashtra, India. <b>Tel No.:</b> +91 22 4050 9999 <b>Fax No:</b> +91 22 4050 9900 <b>Email:</b> satish@focl.in / mala@focl.in <b>Investor Grievance Email:</b> investorcomplaints@focl.in <b>Website:</b> www.focl.in <b>SEBI Registration No:</b> INM000003671 <b>Contact Person:</b> Satish Sheth / Mala Soneji	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> S6-2, 6 <sup>th</sup> Floor, Pinnacle Business Park, Mahakali Caves Road, Next to Ahura Centre, Andheri East, Mumbai - 400 093, Maharashtra, India <b>Tel. No.:</b> +91 22 6263 8200 <b>Email:</b> ipo@bigshareonline.com <b>InvestorGrievance Email:</b> investor@bigshareonline.com <b>Website:</b> www.bigshareonline.com <b>Contact Person:</b> Babu Rapheal C. <b>SEBI Registration No.:</b> INR000001385

<b>Banker to the Company</b>	<b>Legal Advisor to the Offer</b>
<b>ICICI Bank Limited</b> Sandesh Building, Shop No. 240, Dindori Road, Mhasrul, Nashik – 422 004, Maharashtra, India <b>Tel:</b> +91 85549 81475 <b>Email:</b> Reshma.kadam@icicibank.com <b>Contact Person:</b> Reshma Kadam <b>Website:</b> www.icicibank.com	<b>TMT Law Practice</b> 604, Regent Chambers, Nariman Point, Mumbai – 400 021 Maharashtra, India <b>Tel:</b> +91 11 4168 2996 <b>Email:</b> rajeev.parashar@tmtlaw.co.in <b>Contact Person:</b> Rajeev Parashar
<b>Statutory Auditor of the Company and Peer Review Auditor</b>	<b>Escrow and sponsor Banker to the Offer</b>
<b>M/s. A. S. Bedmutha &amp; Co., Chartered Accountants</b> A-301 & 304, Citius, Space Olympia, Sutgirani Chowk, Garkheda, Aurangabad – 431009, Maharashtra <b>Tel:</b> +91 253 2317191 <b>Email:</b> smrutidungarwal@gmail.com <b>Contact Person:</b> Smruti R. Dungarwal <b>Membership No.:</b> 144801 <b>Firm Registration No.:</b> 101067W <b>Peer Review Certificate No:</b> 013807	<b>Axis Bank Limited</b> Shop No. 1-7, Venus Tower, Azad Nagar Road 2, Veera Desai Road, Andheri West, Mumbai – 400058, Maharashtra, India <b>Tel.:</b> +91-22- 26733637 <b>Fax:</b> +91-22- 26733697 <b>Email Id:</b> veeradesairoad.branchhead@axisbank.com <b>Website:</b> www.axisbank.com <b>SEBI Registration No:</b> INR000003639 <b>Contact Person:</b> Sheetal Sandesh Vichare

### Changes in Auditors for last three years

M/s. A. S. Bedmutha & Co., Chartered Accountants, Chartered Accountants were appointed as Statutory Auditors of our Company for the FY 2023 in place of Mrs. Mayuri S. Puranik, Chartered Accountants, to comply with the requirement of peer review auditor in SME IPO at the EGM dated October 10, 2022 from the date of EGM till the conclusion of forthcoming AGM.

Mrs. Mayuri S. Puranik, Chartered Accountant was appointed as Statutory Auditors for the period FY 2022 to FY 2027 at the AGM dated September 30, 2021 replacing the first Auditors of the Company Mr. Chinmay Kelkar, who was appointed at the Board Meeting of the Company held on September 16, 2020 for FY 2021 for a period from the date of meeting till the conclusion of first AGM of the Company.

### DESIGNATED INTERMEDIARIES

#### Self-Certified Syndicate Banks (SCSB's)

The list of SCSBs is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries> on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which an Applicant, not applying through Syndicate/ Sub Syndicate or through a Registered Broker, CRTA or CDP may submit the Application Forms available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries> on the SEBI website, or at such other website as may be prescribed by SEBI from time to time.

#### Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the NSE Limited i.e. [www.nseindia.com](http://www.nseindia.com), as updated from time to time.

#### RTAs

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange [www.nseindia.com](http://www.nseindia.com), as updated from time to time.



### **Collecting Depository Participants**

The list of the CDPs eligible to accept application forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchange [www.nseindia.com](http://www.nseindia.com) as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI [www.sebi.gov.in](http://www.sebi.gov.in) and updated from time to time.

### **Credit Rating**

This being an Offer of Equity Shares, there is no requirement of credit rating for the Offer.

### **IPO Grading**

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

### **Statement of Responsibility of the Lead Manager/Statement of inter se allocation of responsibilities**

Since First Overseas Capital Limited is the sole Lead Manager to this Offer, a statement of *inter se* allocation of responsibilities amongst Lead Managers is not required.

### **Expert Opinion**

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

Our Company has received written consent from the Statutory Auditor namely, M/s. A. S. Bedmutha & Co., Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the reports of the Peer Reviewed Auditor on the Restated Financial Statements of our Company as well as Proforma Restated Financial Statements of our Company and M/s. Nirman Agri Genetics, Proprietary Concern, dated January 04, 2023 and such consent has not been withdrawn as on the date of this Draft Prospectus.

Our Company has received written consent from our Statutory Auditor namely, M/s. A. S. Bedmutha & Co., Chartered Accountants to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and the statement of tax benefits dated January 04, 2023 included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

### **Debenture Trustees**

This is an Offer of equity shares; hence appointment of debenture trustee is not required.

### **Appraisal and Monitoring Agency**

The objects of the Offer have not been appraised by any agency.

The Objects of the Offer and means of finance, therefore, are based on internal estimates of our Company. In terms of Regulation 41 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Offer size is not in excess of ₹10,000 lakhs.

### **Filing of the Offer Document**

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

Further, pursuant to SEBI Circular Number CFD/DIL1/CIR/P/2019/0000000154 dated December 11, 2019, a copy of the

Draft Prospectus and Prospectus along with the with due diligence certificate including additional confirmations required to be filed under Section 26 of the Companies Act, 2013 will be filed with SEBI.

A copy of the Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be delivered to the RoC Office situated at Everest, 100, Marine Drive, Mumbai – 400002, Maharashtra, India.

### Underwriting Agreement

This Offer is 100% Underwritten. The Underwriting agreement is dated January 06, 2023. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriter has indicated its intention to underwrite the following number of specified securities being offered through this Offer:

Details of the Underwriter	No. of shares underwritten*	Amount Underwritten (₹in lakhs)	% of the Total Issue Size Underwritten
<b>FIRST OVERSEAS CAPITAL LIMITED</b> 1-2 Bhupen Chambers, Dalal Street, Fountain, Mumbai – 400 001, Maharashtra, India. <b>Tel No.:</b> +91 22 4050 9999 <b>Fax No:</b> +91 22 4050 9900 <b>Email:</b> satish@focl.in / mala@focl.in <b>Investor Grievance Email:</b> investorcomplaints@focl.in <b>Website:</b> www.focl.in <b>SEBI Registration No:</b> INM000003671 <b>Contact Person:</b> Satish Sheth / Mala Soneji	20,50,800	2,030.29	100%
<b>Total</b>	<b>20,50,800</b>	<b>2,030.29</b>	<b>100%</b>

In the opinion of our Board of Directors, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge the underwriting obligations in full. The abovementioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

### Details of the Market Making Arrangement for this Offer

Our Company has entered into Market Making Agreement dated January 06, 2023, with the Lead Manager and Market Maker, duly registered with NSE to fulfil the obligations of Market Making:

The details of Market Maker are set forth below:

#### **NNM SECURITIES PRIVATE LIMITED**

B-6 & 7, Plot No.31,  
 Siddhi Vinayak Plaza, 2nd Floor,  
 C.T.No.602, Village Oshiwara, Off Link Road,  
 Andheri (West),  
 Mumbai-400058  
 Maharashtra, India.

**Tel No.:** +91 22 40790000 - 99

**Email:** compliance@nnmsecurities.com

**Website:** www.nnmsecurities.com

**SEBI Registration No:** INZ000234235

**Contact Person:** Nikunj A. Mittal

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by NSE and SEBI regarding this matter from time to time. Following is a summary of the key details pertaining to the Market Making arrangement:

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

- 2) The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. (Including the 5% of Equity Shares of the Offer.) Any Equity Shares allotted to Market Maker under this Offer over and above 5% of Offer Size would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
- 4) There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
- 5) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
- 6) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 7) On the day of listing, there will be pre opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of listing on the discovered price during the pre-open call auction.
- 8) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 9) The Market Maker shall have the right to terminate said arrangement by giving a six-month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further the Company and the Lead Manager reserve the right to appoint other Market Maker either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

- 10) **Risk containment measures and monitoring for Market Makers:** Emerge Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- 11) **Punitive Action in case of default by Market Makers:** Emerge Platform of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Stock Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

- 12) **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Offer size up to ₹250 crores, the applicable price bands for the first day shall be:

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

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

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

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

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

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

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

## CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Prospectus and after giving effect to the Offer is set forth below:

No.	Particulars	Amount (₹ in lakhs)	
		Aggregate nominal value	Aggregate value at Offer Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	70,00,000 Equity Shares of face value of ₹10 each	700.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Offer</b>		
	39,10,000 Equity Shares of face value of ₹10.00 each	391.00	-
<b>C.</b>	<b>Present Offer in terms of this Draft Prospectus</b>		
	Offer of 20,50,800 Equity Shares for cash at a price of ₹99.00 per Equity Share	205.08	2,030.29
	<i>Consisting of:</i>		
	Fresh Issue of up to 20,50,800 Equity Shares for cash at a price of ₹99.00 per Equity Share	205.08	2,030.29
	<i>Which comprises:</i>		
	1,04,400 Equity Shares of ₹10.00 each at a price of ₹99.00 per Equity Share reserved as Market Maker portion	10.44	103.36
	Net Offer to the Public of 19,46,400 Equity Shares of ₹10.00 each at a price of ₹99.00 per Equity Share	194.64	1,926.94
	<i>Of which:</i>		
	9,73,200 Equity Shares of ₹10.00 each at a price of ₹99.00 per Equity Share will be available for allocation to Retail Individual Investors upto ₹2,00,000/-	97.32	963.47
	9,73,200 Equity Shares of ₹10.00 each at a price of ₹99.00 per Equity Share will be available for allocation to Other than Retail Individual Investors above ₹2,00,000/-	97.32	963.47
<b>D.</b>	<b>Issued, Subscribed and Paid-up Share Capital after the Offer</b>		
	59,60,800 Equity Shares of ₹10.00 each	596.08	-
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Offer		Nil
	After the Offer		1,825.21

*The Offer has been authorised by our Board pursuant to a resolution dated January 04, 2023, and by our Equity Shareholders pursuant to a resolution passed at the extraordinary general meeting held on January 06, 2023.*

## Class of Shares

The company has only one class of shares i.e. Equity shares of ₹ 10/- each only and all Equity Shares are ranked pari-passu in all respects.

All Equity Shares issued are fully paid-up as on date of the Draft Prospectus. Our Company has not issued any partly paid-up equity shares since its incorporation nor it does have any partly paid-up equity shares as on the date of the Draft Prospectus.

Our Company does not have any outstanding convertible instruments as on the date of the Draft Prospectus.

## Notes to the Capital Structure

### 1. Details of changes in authorised Share Capital:

The authorised share capital of our Company has been altered in the manner set forth below:

Particulars of Change		Date of Members Meeting	AGM/EGM
From	To		
₹1,00,000 consisting of 10,000 Equity shares of ₹10.00 each.		On incorporation	-
₹1,00,000 consisting of 10,000 Equity shares of ₹10.00 each.	₹7,00,00,000 consisting of 70,00,000 Equity shares of ₹10.00 each.	October 10, 2022	EGM

### 2. History of Issued and Paid Up Share Capital of our Company

The history of the equity share capital of our Company is set forth below:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (₹)	Cumulative Share Premium (₹)
Upon Incorporation	10,000	10	10	Subscription to MoA <sup>(1)</sup>	Cash	10,000	1,00,000	Nil
October 10, 2022	25,50,000	10	Nil	Bonus Issue in the ratio of 255:1 <sup>(2)</sup>	Other than Cash	25,60,000	2,56,00,000	Nil
December 02, 2022	11,00,000	10	10	Allotment in pursuant to acquisition of Proprietary Concern <sup>(3)</sup>	Other than Cash	36,60,000	3,66,00,000	Nil
December 02, 2022	2,50,000	10	10	Rights Issue <sup>(3)</sup>	Cash	39,10,000	3,91,00,000	Nil

- Initial allotment of 5,100 Equity Shares to Pranav Kailas Bagal, 2,450 Equity Shares to Chhotu Singh Girase and 2,450 Equity Shares to Jaiprakash Kailashchandra Lahoti, being the subscribers to the MoA of our Company.
- Allotment of 25,48,470 Equity Shares to Pranav Kailas Bagal, 255 Equity Shares to Kailas Bhimrao Bagal, 255 Equity Shares to Avinash Bhimrao Bagal, 255 Equity Shares to Rajashri Avinash Bagal, 255 Equity Shares to Tushar Avinash Bagal, 255 Equity Shares to Hemant Damu More and 255 Equity Shares to Riddhi Nitin Aher as Bonus shares in the ratio of 255 shares for 1 share held on October 10, 2022.
- Allotment in the Rights Issue of 11,00,000 Equity Shares to Pranav Kailas Bagal as a consideration of Rs. 1,10,00,000/- (Rupees One Crore Ten Lakhs Only) for the acquisition of his Proprietary concern viz. M/s. Nirman Agri Genetics as per Valuation Report dated October 31, 2022 issued by CS Abhishek Chhajed, Registered Valuer, Regn. No. IBBI/RV/03/2020/13674 and 2,50,000 Equity Shares to Pranav Kailas Bagal towards cash brought in by way of share application money in the Rights Issue.

### 3. Issue of Equity Shares for Consideration other than Cash.

- Other than the Equity Shares as mentioned in point no. 2 above, our Company has not allotted any Equity Shares for consideration other than cash, since its incorporation.
- No Equity Shares have been allotted pursuant to any scheme approved under Sections 391-394 of the Companies Act, 1956 or Section 230-233 of the Companies Act, 2013.
  - We have not issued any equity share (including bonus shares) by capitalizing any revaluation reserves.

**6. Issue of Shares in the preceding two years**

Following Equity Shares were issued by our Company in the preceding two years:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration
October 10, 2022	25,50,000	10	Nil	Bonus Issue in the ratio of 255:1	Other than Cash
December 02, 2022	11,00,000	10	10	Allotment pursuant to acquisition of Proprietary Concern	Other than Cash
December 02, 2022	2,50,000	10	10	Rights Issue	Cash

**7. Issue of Equity Shares in the last one year at a Price lower than the Offer Price:**

Other than as mentioned below, Equity Shares were issued in last one year immediately preceding the date of the Draft Prospectus at a price which is lower than the Offer Price.

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration
October 10, 2022	25,50,000	10	Nil	Bonus Issue in the ratio of 255:1	Other than Cash
December 02, 2022	11,00,000	10	10	Allotment pursuant to acquisition of Proprietary Concern	Other than Cash
December 02, 2022	2,50,000	10	10	Rights Issue	Cash

8. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

9. As on the date of the Draft Prospectus, our Company does not have any preference share capital.

**10. Build Up of our Promoters' Shareholding, Promoters' Contribution and Lock-In**

As on the date of this Draft Prospectus, our Promoters hold 39,08,464 Equity Shares, constituting 99.96% of the pre-issued, subscribed, and paid-up Equity Share capital of our Company.

**a) Build-up of our Promoters' shareholding in our Company**

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares	Face Value per Equity Share (in ₹)	Issue Price /Acquisition Price / Transfer price per Equity Share (in ₹)	Nature of Consideration	Percentage of Pre-Issue Equity Share Capital (%)	Percentage of Post-Issue Equity Share Capital (%)
<b>Pranav Kailas Bagal</b>							
August 19, 2020	Subscription to MOA	5,100	10	10	Cash	0.13	0.09
September 30, 2022	Acquired from Chhotu Singh Girase	2,450	10	204	Cash	0.06	0.04

September 30, 2022	Acquired from Jaiprakash Kailashchandra Lahoti	2,450	10	204	Cash	0.06	0.04
September 30, 2022	Note **	(6)	10	204	Cash	0.00	0.00
October 01, 2022	Bonus in the ratio of 255:1	25,48,470	10	Nil	Bonus	65.18	42.75
December 02, 2022	Allotment pursuant to acquisition of Proprietary Concern	11,00,000	10	10	Other than Cash	28.13	18.45
December 02, 2022	Rights Issue	2,50,000	10	10	Cash	6.39	4.19
	<b>Total</b>	<b>39,08,464</b>				<b>99.96</b>	<b>65.57</b>

\*\*Transfer of 1 share each to Kailas Bhimrao Bagal, Avinash Kailas Bagal, Rajashri Avinash Bagal, Tushar Avinash Bagal, Hemant Damu More and Riddhi Nitin Aher to comply with 7 member requirements for conversion of the Company to Public Limited Company

Our Promoters have confirmed to the Company and the Lead Manager that the acquisition of the Equity Shares forming part of the Promoters' Contribution has been financed from personal funds/internal accruals and no financial assistance from any banks or financial institution has been availed by our Promoters for this purpose. All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. As on the date of this Draft Prospectus, none of the Equity Shares held by our Promoters are pledged.

b) *Details of Promoter's Contribution Locked-in for Three Years*

Pursuant to Regulations 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of at least 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters shall be provided towards minimum promoters' contribution and locked-in for a period of three years from the date of Allotment ("**Minimum Promoters' Contribution**"). Details of the Equity Shares (eligible for inclusion in the Minimum Promoters' Contribution, in terms of Regulation 33 of the SEBI (ICDR) Regulations) forming part of Minimum Promoters' Contribution and proposed to be locked-in for a period of three years are as follows:

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares	Face Value per Equity Share (in ₹)	Issue Price /Acquisition Price / Transfer price per Equity Share (in ₹)	Nature of Consideration	Percentage of Pre-Offer Equity Share Capital (%)	Percentage of Post-Offer Equity Share Capital (%)
<b>Pranav Kailas Bagal</b>							
October 10, 2022	Bonus Issue in the ratio of 255:1	12,00,000	10	Nil	Bonus		
	<b>Total</b>	<b>12,00,000</b>					

Our Promoters have granted written consent to include such number of Equity Shares held by him as may constitute at least 20% of the post Offer Equity Share capital of our Company as Minimum Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters' Contribution from the date of filing of this Draft Prospectus until the commencement of the lock-in period specified above, or for such other time as required under SEBI (ICDR) Regulations, except as may be permitted, in accordance with the SEBI (ICDR) Regulations.

In terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018, we confirm that the Minimum Promoters' Contribution of at least 20% of the Post Offer Capital of our Company as mentioned above does not consist of;

- Equity Shares acquired during the preceding three years for;



- consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction;
- resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the company or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- The Equity Shares held by the Promoters and offered for Minimum Promoters' contribution which are subject to any pledge with any creditor;
- Equity Shares acquired by Promoters during the preceding one year at a price lower than the price at which equity shares are being offered to public in the Initial Public offer;
- No Equity shares have been issued to our promoters upon conversion of a partnership firm during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoters of the issuer and there is no change in the management are ineligible for Minimum Promoters' Contribution.

c) *Equity Shares locked-in for one year*

In addition to Minimum Promoters' Contribution which shall be locked-in for three years, the balance Equity Shares held by Promoters and promoter group, shall be locked in for a period of one year from the date of allotment in the Initial Public Offer as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018.

d) *Other requirements in respect of 'lock-in'*

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-Offer capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Issue.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription "Non-Transferable" and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock-in is recorded by the Depository.

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoters and locked in may be pledged as a collateral security for a loan granted by a scheduled commercial bank or public financial institution or a systemically important non-banking finance company or housing finance company, subject to following;

- In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Offer and pledge of equity shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan.

However, 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 has expired.

**Transferability of Locked in Equity Shares:**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable;

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

## 11. Our shareholding pattern

Pursuant to Regulation 31 of the SEBI (LODR) Regulations, the holding of specified securities is divided into the following three categories: (a) Promoter and Promoter Group; (b) Public; and (c) Non-Promoter - Non-Public.

Category (I)	Category of shareholder (II)	Nos. of shareh olders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV) + (V) + (VI)	Shareholdin g as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (XI)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C2) (XI) = (VII) + (X)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B + C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class : Equity	Class :preference	Total								
(A)	Promoter & Promoter Group	5	39,09,488	-	-	39,09,488	99.99	39,09,488	-	39,09,488	99.99	-	-	-	-	-	-	Nil
(B)	Public	2	512	-	-	512	0.01	512	-	512	0.01	-	-	-	-	-	-	Nil
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>39,10,000</b>	<b>-</b>	<b>-</b>	<b>39,10,000</b>	<b>100.00</b>	<b>39,10,000</b>	<b>-</b>	<b>39,10,000</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>Nil</b>

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

- Our Company will file the shareholding pattern of our Company in the form prescribed under Regulation 31 of SEBI (LODR) Regulations, one day prior to the listing of the Equity Shares. The shareholding pattern will be uploaded on the website of NSE before commencement of trading of our Equity Shares.
- There are no Equity Shares against which depository receipts have been issued.
- Other than the Equity Shares, there is no other class of securities issued by our Company.

12. The shareholding pattern of our Promoters and Promoter Group before and after the Offer is set forth below:

Sr.	Particulars	Pre-Offer		Post-Offer	
		No. of Shares	% Holding	No. of Shares	% Holding
a)	<b>Promoters</b>				
	Pranav Kailas Bagal	39,08,464	99.96	39,08,464	65.57
	<b>Total</b>	<b>39,08,464</b>	<b>99.96</b>	<b>39,08,464</b>	<b>65.57</b>
b)	<b>Promoter Group</b>				
	Kailas Bhimrao Bagal	256	0.007	256	0.004
	Avinash Bhimrao Bagal	256	0.007	256	0.004
	Rajashri Avinash Bagal	256	0.007	256	0.004
	Tushar Avinash Bagal	256	0.007	256	0.004
	<b>Total</b>	<b>1,024</b>	<b>0.03</b>	<b>1,024</b>	<b>0.02</b>
	<b>Grand Total</b>	<b>39,09,488</b>	<b>99.99</b>	<b>39,09,488</b>	<b>65.59</b>

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

Name of the Promoters	No. of Equity Shares held	Average cost of Acquisition (in ₹)
Pranav Kailash Bagal	39,08,464	3.72

14. None of our Directors or Key Managerial Personnel hold Equity Shares in our Company.

15. **Major shareholders**

The list of our major shareholders and the number of Equity Shares held by them is provided below:

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

Sr. No.	Name of shareholder	No. of Equity Shares	% of Issued Capital
1.	Pranav Kailas Bagal	39,08,464	99.96

- b. *List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date two years prior to the date of the Draft Prospectus:*

Sr. No.	Name of shareholder	No. of Equity Shares	% of Issued Capital
1.	Pranav Kailas Bagal	5,100	51.00
2.	Chhotu Singh Girase	2,450	24.50
3.	Jaiprakash Kailashchandra Lahoti	2,450	24.50
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

- c. *List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date one year prior to the date of the Draft Prospectus:*

Sr. No.	Name of shareholder	No. of Equity Shares	% of Issued Capital
1.	Pranav Kailas Bagal	5,100	51.00
2.	Chhotu Singh Girase	2,450	24.50
3.	Jaiprakash Kailashchandra Lahoti	2,450	24.50
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

- d. *List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date ten days prior to the date of the Draft Prospectus:*

Sr. No.	Name of shareholder	No. of Equity Shares	% of Issued Capital
1.	Pranav Kailas Bagal	39,08,464	99.96

16. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Draft Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of this Offer, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we enter into acquisition(s) or joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.
17. None of our Promoters, members of our Promoter Group or our Directors or their immediate relatives have sold or purchased Equity Shares by any other person during the six months immediately preceding the date of this Draft Prospectus.
18. There have been no financial arrangements whereby our Promoters, Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company, during a period of six months preceding the date of this Draft Prospectus, other than in the normal course of business of the financing entity.
19. Our Company, our Promoters, our Directors and the Lead Manager to this Offer have not entered into any buy-back and/or standby or similar arrangements with any person for purchase of our Equity Shares issued by our Company through this Draft Prospectus.
20. There are no safety net arrangements for this public Offer.
21. An oversubscription to the extent of 10% of the Net Offer can be retained for the purposes of rounding off to the minimum allotment lot and multiple of one share thereafter, while finalizing the Basis of Allotment. Consequently, the actual allotment may go up by a maximum of 10% of the Net Offer as a result of which, the post-Offer paid up capital after the Offer would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock- in shall be suitably increased so as to ensure that 20% of the Post Offer paid-up capital is locked in for 3 years.
22. Under-subscription in the net Offer, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the NSE.
23. As on the date of filing of this Draft Prospectus, there are no outstanding warrants, options, or rights to convert debentures, loans, or other financial instruments into our Equity Shares.
24. All the Equity Shares of our Company are fully paid up as on the date of this Draft Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be issued fully paid-up equity shares.
25. As per RBI regulations, OCBs are not allowed to participate in this Offer.
26. Our Company has not raised any bridge loan against the proceeds of this Offer. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
27. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
28. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
29. No payment, direct or indirect in the nature of discount, commission, allowances or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.
30. We have 7 (Seven) Shareholders as on the date of this Draft Prospectus.
31. Our Promoters and the members of our Promoter Group will not participate in this Offer.
32. Our Promoter and members of our Promoter Group will not receive any proceeds from the Offer.

33. Our Company has not made any public issue since its incorporation.
34. As on the date of this Draft Prospectus, the Lead Manager and their respective associates (determined as per the definition of ‘associate company’ under Section 2(6) of the Companies Act, 2013) do not hold any Equity Shares in our Company. The Lead Manager and their respective affiliates 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.
35. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this Draft Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
36. For the details of transactions by our Company with our Promoter Group, Group Companies please refer to paragraph titled “*Statement of Transactions with Related Parties, as Restated*” in ‘*Financial Statements*’ on page 128.

## OBJECTS OF THE OFFER

The Offer comprises of a Fresh Issue by our Company.

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

1. Funding additional Working capital requirements
2. Investment in Strategic Acquisition / Joint Venture
3. Purchase of Computer and other hardware
4. General Corporate Purposes

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

The main object clause of Memorandum of Association of our Company enables us to undertake the activities for which the funds are being raised by us through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association. For the main objects clause of our Memorandum of Association, see “*History and Certain Corporate Matters*” on page 106.

### Net Proceeds

The details of the proceeds of the Fresh Issue are summarized in the table below:

S. No.	Particulars	Amount (₹ in lakhs)
1.	Gross Proceeds from the Fresh Issue	2,030.29
2.	Offer Expenses	230.00
	<b>Net Proceeds of the Fresh Issue (“Net Proceeds”)</b>	<b>1,800.29</b>

### Utilisation of Net Proceeds and Means of Finance

The proposed utilisation of the Net Proceeds is set forth below:

S. No.	Object	Amount Proposed to be Utilised from the Net Proceeds (₹ in lakhs)
1.	Funding additional working capital requirements	1,182.19
2.	Investment in Strategic Acquisition / Joint Venture	200.00
3.	Purchase of Computer and other hardware	50.63
4.	General Corporate Purposes	367.47
	<b>Total</b>	<b>1,800.29</b>

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

### Requirement of Funds and Means of Finance

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and management estimates and have not been appraised by any bank, financial institution or any other external agency. Given the dynamic nature of our business, we may have to revise our business plan from time to time and consequently our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors such as market conditions, competitive environment, costs of commodities and interest/ exchange rate fluctuations which may not be within the control of our management.

In case of variations in the actual utilisation of funds earmarked for the purpose set forth above or shortfall in the Net Proceeds, increased fund requirement may be financed by our internal accruals and/ or debt, as required. If the actual utilisation towards the said Object is lower than the proposed deployment such balance will be used for 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 from the Issue.

## Details of the Objects of the Fresh Issue

### 1. Funding Additional Working Capital Requirements

Our business is working capital intensive and we fund a majority of our working capital requirements in the ordinary course of our business from banks, financial institutions and our internal accruals.

#### (a) Existing Working Capital:

Our Company's existing working capital based on the Restated Financial Information is stated below:

(₹ in lakhs)

Particulars	31-Mar-21		31-Mar-22		31-Oct-22	
	Actuals	No. of Days	Actuals	No. of Days	Actuals	No. of Days
<b>Current Assets</b>						
Inventories	20.12	21	64.46	25	187.04	48
Trade Receivables	61.46	59	422.64	114	510.59	103
Short Term Loans and Advances	7		12.95		129.03	
<b>Total</b>	<b>88.58</b>		<b>500.05</b>		<b>826.66</b>	
<b>Current Liabilities</b>						
Trade payables	37.6	39	98.27	38	89.31	23
Other Current Liabilities	18.88		18.88		42.87	
<b>Total</b>	<b>56.48</b>		<b>117.15</b>		<b>132.18</b>	
Working Capital Gap	<b>32.1</b>		<b>382.90</b>		<b>694.48</b>	
Less: Existing Borrowings	0		124.67		171.41	
<b>Net Working Capital Requirement</b>	<b>32.1</b>		<b>258.23</b>		<b>523.07</b>	
<b>Proposed Working Capital to be funded from IPO</b>	<b>0</b>		<b>0.00</b>		<b>0.00</b>	
Funded through Internal Accruals and Equity	32.1		258.23		523.07	

#### (b) Future Working Capital Requirements

Our Company proposes to utilize ₹1,182.19 lakhs of the Net Proceeds for our working capital requirements. This will be utilized during Fiscal 2024 towards our Company's additional working capital requirements. The balance portion of our Company working capital requirement shall be met from the working capital facilities, if availed and internal accruals. Our Company's expected working capital requirements for Fiscal 2023 & Fiscal 2024 and the proposed funding of such working capital requirements are as set out in the table below:

(₹ in lakhs)

Particulars	31-Mar-23		31-Mar-24	
	Estimated	No. of Days	Estimated	No. of Days
<b>Current Assets</b>				
Inventories	277.40	45	554.79	45
Trade Receivables	739.73	90	1479.45	90
Short Term Loans & Advances and Deposits	200.00		400.00	
<b>Total</b>	<b>1217.12</b>		<b>2434.25</b>	
<b>Current Liabilities</b>				
Sundry Creditors	184.93	30	369.86	30

Other Current Liabilities	200.00		250.00	
<b>Total</b>	<b>384.93</b>		<b>619.86</b>	
Working Capital Gap	<b>832.19</b>		<b>1814.38</b>	
Less: Existing Bank Borrowings	200.00		0.00	
<b>Net Working Capital Requirement</b>	<b>632.19</b>		<b>1814.38</b>	
<b>Proposed Working Capital to be funded from IPO</b>	<b>0</b>		<b>1182.19</b>	
Funded through Internal Accruals, Other loans and Equity	632.19		632.19	

Above Working Capital requirement and its assumptions are certified by our Statutory Auditors, M/s. A. S. Bedmutha & Co., Chartered Accountants, vide their certificate dated January 12, 2023 (UDIN No. 23144801BGUWQV7247)

The working capital projections made by the Company are based on certain key assumptions, as set out below:

Sr. No.	Particulars	Assumptions
<b>Current Assets</b>		
1	Inventories:	In order to achieve shorter lead times and continuous supply to customers, we need to maintain efficient inventory levels. In Fiscal 2021, 2022 and period ended October 31, 2022 our inventory days were 21 days, 25 days and 48 days respectively. We have estimated 45 days of inventory for the Fiscal ended March 31, 2023 & 2024.
2	Trade receivables	In Fiscal 2021, 2022 and period ended October 31, 2022 our receivable days were 59 days, 114 days and 103 days respectively. To streamline credit to customers we estimate the receivable to maintain at 90 days for Fiscal 2023 & 2024.
3	Other current assets including other financial assets	The key items under this head are advance to staff, other advances, security deposit with statutory authorities, prepaid expenses etc.
<b>Current Liabilities</b>		
4	Trade payables	Our trade payables have been for 39 days, 38 days and 23 days for fiscal 2021, 2022 and period ended October 31, 2022 respectively. However, going forward we estimate to maintain payables at 30 days for Fiscal 2023 & 2024 to avail best pricing and also buy from large suppliers.
5	Other current liabilities	Other current liabilities include provisions, statutory dues, expenses payable etc.

## 2. Investment in Strategic Acquisition / Joint Venture

We are to planning to invest the appx. ₹200.00 Lakhs in a acquisition or a joint venture with a Company doing the business of Agri Inputs like Seeds, Fertilisers etc. It will help our company to cater new customers, new geographies and/or additional markets for our businesses and help us grow faster due to inorganic growth.

Our Management intends to utilize appx. 9.85% of the Gross Proceeds for expanding its business inorganically. Our Management proposes to invest partly or fully in companies having similar line of business and that will help us expand our business either through backward integration or vertical integration. Our Management is looking forward to identify companies that are beneficial in terms of expanding our products, geographies, R & D capabilities thereby adding and increasing the brand value and revenue and ultimately profitability of our Company.

Based on the commercial negotiations and other terms and conditions of the prospective deal(s) to be entered between us and the prospective business partner(s), Our Management is looking forward for expansion either through Joint Venture Model and/ or Partnership Model and/ or Merger Model and/ or Substantial Investment Model. Our management confirms that as on the date of filing this Draft Prospectus such target entities are not identified and it shall take the necessary approval and do necessary regulatory compliances as and when required.

## 3. Purchase of Computer and other hardware

Our Company has earmarked an amount of ₹ 50.63 lakhs out of the proceeds of the Issue for the purchase of computer and other hardware for office automation as per cost estimates dated January 02, 2023 given by M/s. Vendetta Enterprises Private Limited:



Particulars	No. of units	Price per unit	Total Amount (₹ in lakhs)
Computer with license	20	37500	7.50
Printers	5	30000	1.50
Scanner	5	25000	1.25
Laptops	30	40000	12.00
Biometrics System	3	11000	0.33
Servers	4	400000	16.00
CCTV System	1	24500	0.25
UPS	2	365000	7.30
LAN	1	4,50,000	4.50
<b>Total</b>			<b>50.63</b>

#### 4. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹367.47 lakhs towards general corporate purposes. The general corporate purposes for which our Company proposes to utilise the Net Proceeds include but are not limited to funding growth opportunities, strategic initiatives, joint-ventures, partnerships, marketing and business development expenses, expansion of facilities and meeting exigencies and expenses incurred by our Company in the ordinary course of business. In addition to the above, our Company may utilise the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and as approved periodically by the Board, subject to compliance with necessary provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board based on the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilising surplus amounts, if any. However, we confirm that the amount for general corporate purposes, as mentioned in objects of the issue, shall not exceed twenty five per cent of the fresh issue amount raised by our Company.

#### Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹230.00 lakhs. The expenses of this Offer include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses and legal fees, if applicable. The estimated Offer expenses are as follows:

(₹ in lakhs)

Activity	Estimated expenses*	As a % of the total estimated Offer expenses	As a % of the total Offer size
Payment to Merchant Banker including, underwriting, and selling commissions, brokerages, Advisors to the Company, payment to other intermediaries such as Legal Advisors, Registrars etc. and other out of pocket expenses, Brokerage and selling commission <sup>(1)</sup>	200.00	86.96%	9.85%
Advertising and marketing expenses	15.00	6.52%	0.74%
Printing and stationery expenses, distribution, and postage	5.00	2.17%	0.25%
ROC, Regulatory and other expenses including Listing Fee	10.00	4.35%	0.49%
<b>Total estimated Issue expenses</b>	<b>230.00</b>	<b>100.00%</b>	<b>11.33%</b>

<sup>(1)</sup>The SCSBs and other intermediaries will be entitled to processing fees of ₹ 10 per valid Application form uploaded on the electronic system of the Stock Exchange by them.

#### Deployment of Funds in the Objects

Our Company has incurred the following expenditure on the project till December 31, 2022 from the internal accruals. The same has been certified by our Statutory Auditors, M/s. A. S. Bedmutha & Co., Chartered Accountants, vide their certificate dated January 04, 2023 (UDIN No. 23144801BGUQEB2969).

Particulars	Amount (₹ Lakhs)
Public Issue Expenses	20.00

<b>Total</b>	<b>20.00</b>
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### Schedule of implementation

The entire amount of Issue Proceeds will be utilised during FY 2022-2023 and FY 2023-2024 as per funds deployment given hereinafter.

### Details of balance fund deployment

(₹ in Lakhs)					
Sr. No.	Particulars	Expenses Already Incurred till the date of the Draft Prospectus	FY 2022-23	FY 2023-24	Total
1	Funding additional working capital requirements	0.00	0.00	1182.19	1182.19
2	Investment in Strategic Acquisition / Joint venture	0.00	200.00	0.00	200.00
3	Purchase of Computer and other hardware	0.00	50.63	0.00	50.63
4	General Corporate Purposes	0.00	200.00	167.47	367.47
5	Issue Related Expenses	20.00	210.00	0.00	230.00
	<b>Total</b>	<b>20.00</b>	<b>660.63</b>	<b>1249.66</b>	<b>2030.29</b>

### Interim Use of Funds

Pending utilization for the purposes described above, we undertake to temporarily deposit the funds from the Net Proceeds only in the scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, for the necessary duration. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in the equity shares of any other listed company.

### Appraisal Report

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

### Bridge Loan

As of the date of this Draft Prospectus, our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds. However, depending on its business requirements, our Company may consider raising bridge financing facilities, pending receipt of the Net Proceeds.

### Monitoring of Utilization of Funds

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

### Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the shareholders by way of a special resolution. In addition, the notice issued to the shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act 2013.

Pursuant to the Companies Act 2013, the Promoters or controlling shareholders will be required to provide an exit

opportunity to the shareholders who do not agree to such proposal to vary the Objects of the Issue at the fair market value of the Equity Shares as on the date of the resolution of our Board recommending such variation in the terms of the contracts or the objects referred to in the Draft Prospectus, in accordance with such terms and conditions as may be specified on this behalf by SEBI.

#### **Other Confirmations**

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

## BASIS FOR OFFER PRICE

The Offer Price is determined by our Company in consultation with the Lead Manager. The financial data presented in this section are based on our Company's restated financial statements. Investors should also refer to the sections titled 'Risk Factors' and 'Financial Information' on pages 18 and 128, respectively, to get a more informed view before making the investment decision.

### Qualitative Factors

For details of Qualitative factors please refer to the paragraph "Our Competitive Strengths" in "Our Business" beginning on page 87.

### Quantitative Factors (Based on Standalone Financial Statements)

#### 1. Basic & Diluted Earnings Per Share (EPS):

Period	Basic and Diluted EPS (₹)**	Weights
7 months period ended October 31, 2022*	9.00	3
FY 2022	10.00	2
FY 2021	0.21	1
<b>Weighted Average</b>	<b>7.87</b>	

\*Not Annualised

\*\* Adjusted for Bonus Issue

Notes:

1. Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.
2. Basic Earnings per share = Net profit/ (loss) after tax, as restated attributable to equity shareholders /Weighted average number of shares outstanding during the year/ period.
3. Diluted Earnings per share = Net profit after tax, as restated / Weighted average number of diluted equity shares outstanding during the year/ period.
4. The figures disclosed above are based on the Restated Consolidated Financial Statements of our Company.

#### 2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹99.00:

- a. Based on the basic and diluted EPS of ₹ 9.00 as per restated financial statements for the period ended October 31, 2022, the P/E ratio is 11.00.
- b. Based on the basic and diluted EPS of ₹ 10.00 as per restated financial statements for the period ended March 31, 2022, the P/E ratio is 9.90.
- c. Based on the weighted average EPS of ₹ 7.87, as per restated financial statements the P/E ratio is 12.58.
- d. Industry P/E

Industry P/E	
▪ Highest – Shreeoswal Seed	87.41
▪ Lowest – Kaveri Seed	13.89
▪ Average – Industry Composite	38.04

Note: The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section. For further details, see "Peer Competitors – Comparison of Accounting Ratios" at point 6 below.

### 3. Return on Net Worth

Period	Return on Net Worth (%)	Weights
7 months period ended October 31, 2022*	51.49%	3
FY 2022	96.83%	2
FY 2021	84.54%	1
<b>Weighted Average</b>	<b>72.11%</b>	

\*Not Annualised

### 4. Minimum Return on increased Net Worth required to maintain pre-Issue EPS.

The minimum return on increased net worth required maintaining pre-Issue EPS:

A) Based on weighted average EPS of ₹ 7.87

At the Issue Price of ₹99.00: 17.74% based on restated financial statements.

B) Based on Basic and Diluted EPS for the period ended October 31, 2022 of ₹ 9.00

At the Issue Price of ₹99.00: 20.30% based on restated financial statements.

C) Based on Basic and Diluted EPS for the period ended March 31, 2022 of ₹ 10.00

At the Issue Price of ₹99.00: 22.55% based on restated financial statements.

### 5. Net Asset Value per Equity Share

- As of October 31, 2022\* ₹ 17.48
- As of March 31, 2022\* ₹ 10.33
- NAV per Equity Share after the Issue is : ₹ 44.35
- Issue Price per Equity Share is: ₹ 99.00

\* Adjusted for Bonus Issue

### 6. Peer Competitors - Comparison of Accounting Ratios

Name of the Company	CMP (₹)	Face Value (₹)	EPS (₹)	P/E# Ratio	RONW (%)	NAV (₹)	Total Revenue (₹ crore)
Nirman Agri Genetics Limited (FY 2022 basis)*	99.00	10	10.00	9.90	96.83%	10.33	13.49
Nirman Agri Genetics Limited (Oct 2022 not annualised basis)*	99.00	10	9.00	11.00	51.49%	17.48	18.04
Kaveri Seed Company**	505.20	2	36.37	13.89	16.58	219.83	1011.00
Avanti Feeds**	389.15	1	16.26	23.93	11.69	157.61	5117.00
Upsurge Seeds**	438.90	10	9.79	44.83	35.42	21.70	76.00
Bombay Super Hybrid**	363.10	10	10.06	36.09	26.59	37.63	194.00
Shreeoswal Seed**	236.00	10	2.70	87.41	11.72	23.05	104.00
Agri-Tech India**	101.70	10	4.60	22.11	3.00	154.70	5.07

\* Source : Issue Price for Nirman and others closing market price on January 13, 2023 on NSE

\*\* Source: Data sourced from "Moneycontrol App" based on Standalone / Consolidated financials for FY 2022

# Computed by dividing the closing market price on January 13, 2023 on NSE by EPS

\*\*\*Nirman financials are based on March 31, 2022 restated financial statements for the Company.

Since major revenue of our Company is from sale of Seeds, the listed Companies which are in the similar line of business as ours are considered above for comparison, but they are very large compared to us and may have product portfolio larger than ours, but as these are nearest comparable, hence those companies are considered for the peer group comparison.

The face value of Equity Shares of our Company is ₹10 per Equity Share and the Issue price of ₹99.00 is 9.90 times of the face value.

The Issue Price of ₹99.00 is determined by our Company, in consultation with the Lead Manager is justified based on the above accounting ratios. For further details, please refer to the section titled '*Risk Factors*', and chapters titled '*Our Business*' and '*Financial Information*' beginning on page 18, 87 and 128, respectively of the Draft Prospectus.

## STATEMENT OF TAX BENEFITS

### STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO NIRMAN AGRI GENETICS LIMITED AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

To,  
**The Board of Directors**  
**Nirman Agri Genetics Limited**  
Vedant Apartment,  
Near Reliance Shopee,  
Dindori Road,  
Panchavati, Nashik – 422 003  
Maharashtra, India

Dear Sirs,

**Sub: Statement of possible special tax benefits (“the Statement”) available to Nirman Agri Genetics Limited (“the Company”) and its shareholders prepared in accordance with the requirements of the Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018, as amended (“the Regulations”)**

We hereby report that the enclosed annexure, prepared by the Management of the Company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 (‘Act’) as amended by the Finance Act, 2022 (i.e. applicable to Financial Year 2022-23 relevant to Assessment Year 2023-24), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

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

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

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

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

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

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

**For M/s. A. S. Bedmutha & Co.,**  
Chartered Accountants  
**Firm Registration No:** 101067W

Sd/-

CA Smruti R. Dungarwal  
Partner  
**Membership No:** 144801  
**Date:** January 04, 2023  
**Place:** Nashik  
**UDIN:** 23144801BGUPNA7076

#### **Annexure**

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

Outlined below are the possible special tax benefits available to the Company and its shareholders under the current direct tax laws in India for the financial year 2022-23.

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

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

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

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



## SECTION V: ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this section has been extracted from reports publicly available documents and information, including, but not limited to, materials issued or commissioned by the Government of India and certain of its ministries, trade and industry-specific publications and other relevant third-party sources.*

*Industry websites and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy and completeness are not guaranteed, and their reliability cannot be assured. While the Company has exercised reasonable care in relying on such government, industry, market and other relevant data in this document, it has not been independently verified by the Company or any of its advisors, nor the Lead Manager or any of its respective advisors, and should not be relied on as if it had been so verified.*

### INDIAN ECONOMY OVERVIEW

Source: <https://www.ibef.org/economy/indian-economy-overview>

### INTRODUCTION

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

Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock. Real GDP in the first quarter of 2022-23 is currently about 4% higher than its corresponding 2019-20, indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022-2023. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

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

### MARKET SIZE

- India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22.
- India is the third-largest unicorn base in the world with over 100 unicorns with a total valuation of US\$ 332.7 billion.
- India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030s, for productivity and economic growth. The net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.
- According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.

### RECENT DEVELOPMENTS

Recent economic developments in India are as follows:

- As of September 21, 2022, India's foreign exchange reserves stood at US\$ 524,520 million.
- The private equity-venture capital (PE-VC) sector investments stood at US\$ 2 billion in September 2022.
- Merchandise exports in September 2022 stood at US\$ 32.62 billion.
- PMI Services remained comfortably in the expansionary zone at 56.7 during April-September 2022

- In September 2022, the gross Goods and Services Tax (GST) revenue collection stood at Rs. 147,686 crore (US\$ 17.92 billion).
- Between April 2000-June 2022, cumulative FDI equity inflows to India stood at US\$ 604,996 million.
- In August 2022, the overall IIP (Index of Industrial Production) stood at 131.3. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 99.6, 131.0 and 191.3, respectively, in August 2022.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 7.41% in September 2022.
- In FY 2022-23, (until October 28, 2022), Foreign Portfolio Investment (FPI) outflows stood at Rs. 58,762 crore (US\$ 7.13 billion).
- The wheat procurement in Rabi 2021-22 and the anticipated paddy purchase in Kharif 2021-22 would include 1208 lakh (120.8 million) metric tonnes of wheat and paddy from 163 lakh (16.7 million) farmers, as well as a direct payment of MSP value of Rs. 2.37 lakh crore (US\$ 31.74 billion) to their accounts.

## ROAD AHEAD

In the second quarter of FY 2022-23, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2022. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked fifth in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in FY 2022–23 (until August 2022), stood 46.8% higher than the same period last year. The ratio of revenue expenditure to capital outlay decreased from 6.4 in the previous year to 4.5 in the current year, signaling a clear change in favour of higher-quality spending. Stronger revenue generation as a result of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

Despite the continued global slowdown, India's exports climbed at the second highest rate this quarter. With a reduction in port congestion, supply networks are being restored. The CPI-C and WPI inflation reduction from April 2022 already reflects the impact. In August 2022, CPI-C inflation was 7.0%, down from 7.8% in April 2022. Similarly, WPI inflation has decreased from 15.4% in April 2022 to 12.4% in August 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

## AGRICULTURE AND ALLIED INDUSTRIES IN INDIA

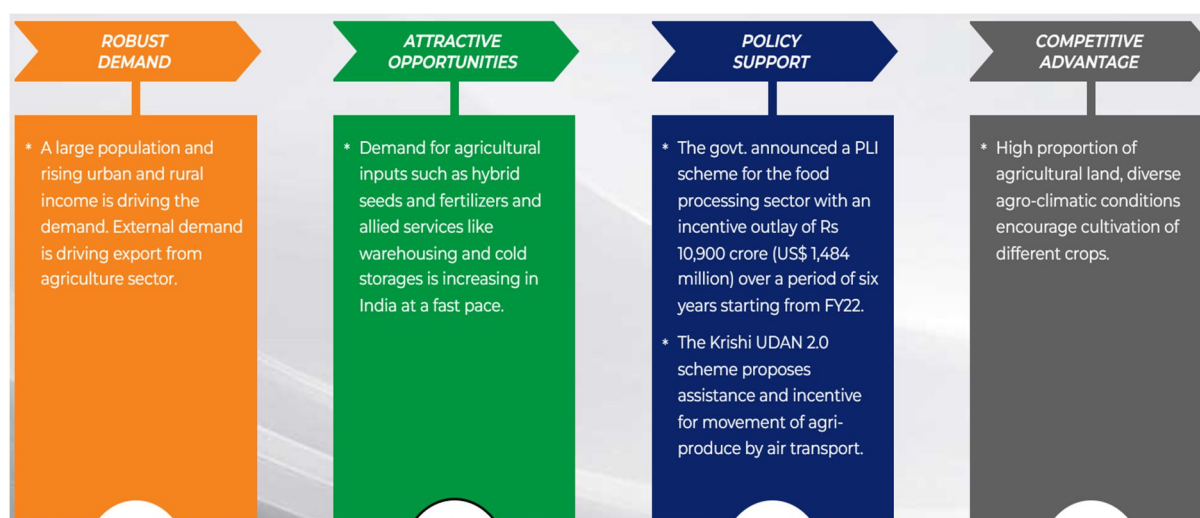
<https://www.ibef.org/industry/agriculture-india>

## INTRODUCTION

India is one of the major players in the agriculture sector worldwide and it is the primary source of livelihood for about 58% of India's population. India has the world's largest cattle herd (buffaloes), largest area planted to wheat, rice, and cotton, and is the largest producer of milk, pulses, and spices in the world. It is the second-largest producer of fruit, vegetables, tea, farmed fish, cotton, sugarcane, wheat, rice, cotton, and sugar. Agriculture sector in India holds the record for second-largest agricultural land in the world generating employment for about half of the country's population. Thus, farmers become an integral part of the sector to provide us with means of sustenance.

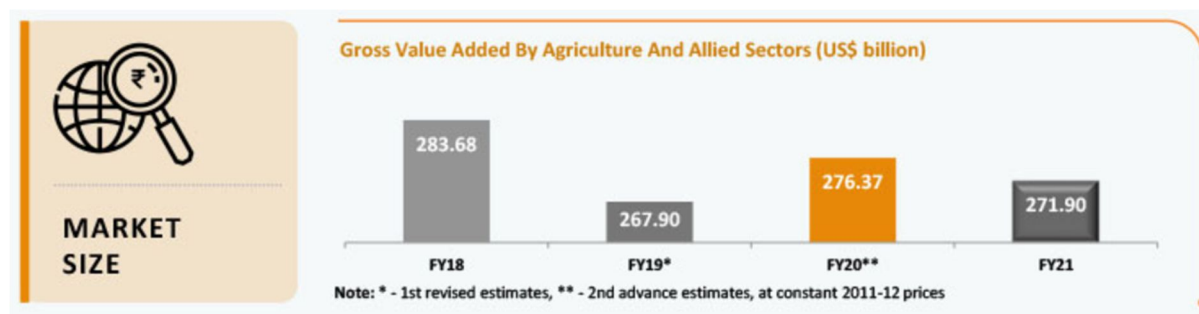
Consumer spending in India will return to growth in 2021 post the pandemic-led contraction, expanding by as much as 6.6%. The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year due to its immense potential for value addition, particularly within the food processing industry. The Indian food processing industry accounts for 32% of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth.

## ADVANTAGE INDIA



## MARKET SIZE

According to Inc42, the Indian agricultural sector is predicted to increase to US\$ 24 billion by 2025. Indian food and grocery market is the world's sixth largest, with retail contributing 70% of the sales. As per the third advance estimates, foodgrain production in India is estimated to be 314.51 MT in FY 2021-22. Rapid population expansion in India is the main factor driving the industry. The rising income levels in rural and urban areas, which have contributed to an increase in the demand for agricultural products across the nation, provide additional support for this. In accordance with this, the market is being stimulated by the growing adoption of cutting-edge techniques including blockchain, artificial intelligence (AI), geographic information systems (GIS), drones, and remote sensing technologies, as well as the release of various e-farming applications.



In terms of exports, the sector has seen good growth in the past year. In FY22 (until December 2021) -

- Exports of marine products stood at US\$ 6.12 billion.
- Exports of rice (Basmati and Non-Basmati) stood at US\$ 6.12 billion.
- Buffalo meat exports stood at US\$ 2.51 billion.
- Sugar exports stood at US\$ 2.78 billion.
- Tea exports stood at US\$ 570.15 million.
- Coffee exports stood at US\$ 719.95 million.



## INDIAN SEEDS INDUSTRY

The Indian seed industry has had a long history spreading over more than a century. It initially began with trading in vegetable and flower seeds in the early part of this century. Seed related reforms pertaining to hybridization began in the early 1980's, when the GoI decided to provide public-bred breeder seed to private companies for multiplication and distribution. Further, starting in the mid-1980's accessibility to research institutions, both international and national was provided to private seed firms for directly obtaining breeder seed. The seed related reforms initiated in 1980's thus catalysed growth of the private seed sector in the country. As a consequence, the Indian seed industry is experiencing quantitative and qualitative changes in composition, market expansion and production technologies. Along with the increasing size of the seed market, its composition is also rapidly changing, with more and more private companies not only intensifying but also diversifying their market as well as product coverage.

The Indian seed market is among the top ten largest in the world, estimated to be about US\$5.5 billion in 2022. (Source: ISF Secretariat) Aside from our Company, the notable seed companies in India include Pioneer, Mahyco, Monsanto India, ProAgro, Syngenta and Nuziveedu Seeds.

The Government is concerned about the stagnation in the production and productivity of pulses. A critical deficiency is the availability and quality of certified seeds. Government therefore proposes to expand the Integrated Oilseeds, Oil palm, Pulses and Corn Development programme. There will be a sharper focus on scaling up the production of breeder, foundation and certified seeds. The Indian Institute of Pulses Research (IIPR), Kanpur, the National and State level seeds corporations, agricultural universities, ICAR centres, KRIBHCO, IFFCO and NAFED as well as large private sector companies will be invited to submit plans to scale up the production of seeds. Government will fund the expansion of IIPR, Kanpur, and offer the other producers a capital grant or concessional financing in order to double the production of certified seeds within a period of three years. (Source: Union Budget : Finance Minister's speech)

## Area, Production and Yield of major Crops

Crops	Area (Lakh hectare)			Production (Million Tonnes)			Yield (kg/hectare)		
	2018-19	2019-20	2020-21*	2018-19	2019-20	2020-21*	2018-19	2019-20	2020-21*
Rice	441.56	436.62	450.67	116.48	118.87	122.27	2638	2722	2713
Wheat	293.19	313.57	316.15	103.60	107.86	109.52	3533	3440	3464
Nutri / Coarse cereals	221.46	239.88	238.28	43.06	47.75	51.15	1944	1991	2146
Pulses	291.56	279.87	288.33	22.08	23.03	25.72	757	823	892
Foodgrains	1247.77	1269.95	1293.43	285.21	297.50	308.65	2286	2343	2386
Oilseeds	247.94	271.39	287.88	31.52	33.22	36.10	1271	1224	1254
Sugarcane	50.61	46.03	48.57	405.42	370.50	399.25	80105	80497	82205
Cotton@	126.14	134.77	130.07	28.04	36.07	35.38	378	455	462
Jute & Mesta#	7.05	6.73	6.63	9.82	9.88	9.56	2508	2641	2595

\* 4th advance estimates @ Production in million bales of 170 kg each

# Production in million bales 180 kg. each.

In India, a limited generation system, which is characterized by three generations – breeder, foundation and certified seeds, is used for seed multiplication. The details of the production/distribution of each generation since 2011-12 are provided below:

YEAR	Production/Availability of Seed (Metric Tonnes)		
	Breeder Seed (Production)	Foundation Seed	Certified Quality Seed /
2011-12	12338	222681	3536200
2012-13	11020	161700	3285800
2013-14	8229	174307	3473130
2014-15	8621	157616	3517664
2015-16	9036	149542	3435248
2016-17	11071.44	220907	3802904
2017-18	10508.59	195415	4194111
2018-19	10426	180096	3988767
2019-20	9269.21	222504	4310095
2020-21	9115.62	241207.00	4836632.00
2021-22	<b>8451.10(target)</b>	<b>213969</b>	<b>4988286.5</b>

### Major Crops grown in India

The agricultural crop year in India is from July to June. The Indian cropping season is classified into two main seasons-(i) Kharif and (ii) Rabi based on the monsoon. The kharif cropping season is from July –October during the south-west monsoon and the Rabi cropping season is from October-March (winter). The crops grown between March and June are summer crops.

**Rabi crops** are sown in winter from October to December and harvested in summer from April to June. Some of the important Rabi crops are wheat, barley, peas, gram and mustard. Though, these crops are grown in large parts of India, states from the north and north-western parts such as Punjab, Haryana, Himachal Pradesh, Jammu and Kashmir, Uttarakhand and Uttar Pradesh are important for the production of wheat and other rabi crops. Availability of precipitation during winter months due to the western temperate cyclones helps in the success of these crops. However, the success of the green revolution in Punjab, Haryana, western Uttar Pradesh and parts of Rajasthan has also been an important factor in the growth of the above-mentioned rabi crops.

**Kharif crops** are grown with the onset of monsoon in different parts of the country and these are harvested in September-October. Important crops grown during this season are paddy, maize, jowar, bajra, tur (arhar), moong, urad, cotton, jute, groundnut and soyabean. Some of the most important rice-growing regions are Assam, West Bengal, coastal regions of Odisha, Andhra Pradesh, Telangana, Tamil Nadu, Kerala and Maharashtra, particularly the (Konkan coast) along with Uttar Pradesh and Bihar. Recently, paddy has also become an important crop of Punjab and Haryana. In states like Assam, West Bengal and Odisha, three crops of paddy are grown in a year.

KHARIF	RABI	ZAID
Monsoon crop (High water requirement)	Winter crop	Summer crop
July - October	October - February	March - June
Rice, Maize, Jowar, Bajra, Soyabean, Cotton, Groundnut, Jute, Urad Dal, Moong Dal, Tur Dal	Wheat, Barley, Gram, Peas, Mustard	Watermelon, Muskmelon, Cucumber, Vegetables and Fodder crops
		



**Crops grown in India**

Types of Crops	Meaning	Major Crops
Food grains	Crops that are used for human consumption	Rice, Wheat, Maize, Millets, Pulses and Oilseeds
Commercial Crops	Crops which are grown for sale either in raw form or in semi-processed form	Cotton, Jute, Sugarcane, Tobacco and Oilseeds
Plantation Crops	Crops which are grown on Plantations covering large estates	Tea, Coffee, Coconut and Rubber
Horticulture	Sections of agriculture in which Fruits and Vegetables are grown	Fruits and Vegetables

**Weekly report on progress of area coverage under Rabi crops as on 18.11.2022**

S. No.	Crops	Normal Rabi Area (DES)	Area Sown		(Area in lakh hectare) Difference over last year
			2022-23	2021-22	2022-21
1	Wheat	304.47	101.49	88.46	13.03
2	Rice	45.65	8.03	7.21	0.83
3	Pulses	150.20	73.25	76.08	-2.83
a	Gram	98.86	52.57	52.83	-0.26
b	Lentil	14.29	8.19	8.85	-0.65
c	Fieldpea	7.45	5.11	6.58	-1.47
d	Kulthi	1.98	1.77	1.94	-0.17
e	Urdbean	9.13	1.87	1.99	-0.12
f	Moongbean	10.47	0.24	0.35	-0.12
g	Lathyrus	3.40	2.33	2.30	0.03
h	Other Pulses	4.62	1.17	1.23	-0.06
4	Coarse cereals	54.68	19.24	19.80	-0.56
a	Jowar	29.35	11.85	14.21	-2.37
b	Bajra	0.00	0.02	0.05	-0.02
c	Ragi	0.00	0.28	0.25	0.03
d	Maize	19.17	3.92	3.12	0.80
e	Barley	6.16	3.17	2.17	1.00
5	Oilseeds	78.81	66.81	59.22	7.60
a	Rapeseed & Mustard	63.46	63.25	55.13	8.12
b	Groundnut	7.22	1.54	1.87	-0.33
c	Safflower	0.78	0.30	0.35	-0.04
d	Sunflower	1.46	0.31	0.63	-0.33
e	Sesamum	3.42	0.03	0.08	-0.05
f	Linseed	2.36	1.25	0.96	0.30
g	Other Oilseeds	0.11	0.12	0.20	-0.08
	<b>Total Crops</b>	<b>633.80</b>	<b>268.82</b>	<b>250.76</b>	<b>18.07</b>

**Emerging trends in Cropping Pattern**

India is a major producer of agricultural goods in the world and we are the second largest producer of crops in the world, our cropping pattern does a show a very welcome trend. The following are certain features noticed in our cropping pattern:

- **Majority of our farmers are engaged in growing subsistence crops** like food grains, cereals, pulses, etc. which are basic crops, not very lucrative from the point of view of earnings.
- **Agri-productivity over the past few decades has increased**, but it is still less than the global average, being just 30-40% of the global average.
- **The number of people engaged in agriculture has reduced from 70% at independence to 50% presently.**
- **The crop pattern has changed with a very satisfactory trend**, i.e. growing more cash crops like fruit and vegetables instead of food grains.

- **Shifted to horticulture:** Since good inputs (seeds and know-how) are available, farmers are growing horticultural crops along with or as an alternative to food grains. India produces 10% of the world production of fruits, and holds the first place in case of fruits like papaya, mango, and banana, among others.
- **Urbanization:** The change in land use pattern and cropping pattern is vastly affected by rapid urbanization. The higher cultivable area has been achieved by bringing large acreage of uncultivable land into cultivation.
- **Another trend in our agricultural cropping pattern is that our production of wheat and rice is not increasing as fast as our population.**
- **Water intensive to water efficiency patterns:** Some water intensive Food grains (paddy) and cash crops (such as sugarcane) losing interest in favour of water efficient crops or pulses and oil seeds. These are not only water efficient but also climate resilient.

### Effects of current trends in Cropping Pattern

- **Increased use of Fertilizers and Pesticides:** We are using more and more fertilizers and pesticides of the inorganic type while growing crops which has two main disadvantages: One is that our health is being affected due to the fruits and vegetables becoming so toxic that our body cannot tolerate and we fall ill very often. Secondly, the tolerance of pests to the pesticides develops, and slowly they become ineffective.
- **Use of Hybrid and High Yielding Varieties:** We were earlier using our indigenous seeds to grow crops, and those had better nutrition value. Now the hybrid seeds are being used after the onset of the green revolution. They are not so nutritious and this awareness has led to the growing importance of organic farming, but it is not been done on a very large scale, so it does not have a significant impact on total production. This calls for the development of a new system in which the traditional methods and the modern scientific technique is combined to reap the advantages of both and minimize the drawbacks.
- **Increased Water Demand:** New production techniques require the usage of more water. In fact, we are using 10% of our water in the agricultural sector, and the need would increase if intensive cropping is done. The result is that our ground water resources are used up. More and more irrigation projects have to be undertaken by the government, which have adverse effects on the environment, and also use of agricultural land, for non-agricultural purposes.
- **Depletion of Forest Areas:** There is need for a minimum forest area to be maintained, the specification being 33%, for the ecological balance to be maintained. Increasing the cropping intensity reduces the forest cover. We have tried to maintain a reasonable forest cover by afforestation methods and maintenance of the existing reserves. In many areas this ecological balance has been disturbed because of increase in agricultural activities, which needs to be taken care of.

### Industry Drivers

As key agricultural inputs, seed products have the following common industry drivers:

#### Population growth

A fundamental driver for the increase in demand for crops is global population growth. The United Nations projects that world population will increase from 8 billion people in 2022 to 9.2 billion people in 2038.

India's population is also projected to grow at a rapid pace by 2039, as per report of Planning Commission titled "Population Growth – Trends, Projections, Challenges and Opportunities".

#### Economic growth

As people become wealthier, they consume more and higher quality food. The International Food Policy Research Institute forecasts a 40% increase in demand for grain by 2040.

### Land availability

Arable land is scarce in many parts of the world and under pressure from urbanization and industrial uses. Accordingly, there is continual pressure to increase the productivity of available resources.

### Sustainability

Without significant increase in productivity, more land will have to be brought under irrigation and multiple cropping, which may have a potentially severe adverse impact on biodiversity and the environment.

### Technology

Innovations that provide new benefits can spur significant market growth. These may relate to conventional seeds, but increasing derivations from biotechnology can confer valuable new traits upon seeds and significant improvements in crop management.

### Hybridization

Increasing awareness of the benefits of high-quality hybrid seeds and improved farming practices will encourage quantum shifts in grower preferences.

### Food preferences

Shifting consumer food preferences will affect selection of crops and the seed industry.

In addition to these drivers, the seed industry is influenced by commodity prices and weather. Changes in commodity crop prices influence a farmer's decision to purchase yield-enhancing products as the value of any increased yield is correspondingly affected. Erratic weather can affect crop performance at all levels. The market for seeds is in turn affected on a regional basis as farmers choose crops and hybrids that best suit changed local weather conditions.

Furthermore, the modern innovations like biofuels (such as ethanol) will be driving the demand for crops used in their production. Oilseed crops, such as mustard and soyabean, are used to produce biodiesel. Corn and sugar cane are examples of crops used to produce ethanol. Any increase in the use of biofuels is expected to lead to a higher demand for the seeds of the relevant crops.

## Seed Products

There are thousands of seed hybrids and varieties in the market, presenting numerous combinations of desirable traits. Farmers make their choices of crops and varieties to grow depending upon local growing conditions and demand in the market for such products. Seeds developed for and adapted to different geographical segments will provide different advantages to the farmer, such as:

- better yield;
- higher pest & disease tolerance;
- herbicide tolerance;
- germination ;
- maturity ;
- keeping quality; and
- drought tolerance.

Historically, breeders have improved seed genetics by crossing plants to create traits that are beneficial to the farmer, such as the traits listed above. Yield, however, is the most sought after trait because growers want to maximize the use of their arable land. The basic genetic material containing these desirable traits for a plant is called its germplasm. Quality germplasm has traditionally been the most important aspect of the seed business. Modern genomics and biotechnology tools have allowed more precise and rapid identification of beneficial genetic material and the creation of hybrids with substantial improvements in the traits that benefit the grower.



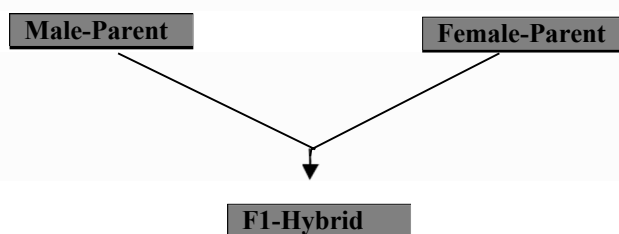
## Seed Types

There are two types of seed that are available to farmers – varieties [e.g., open pollinated (OP) and self pollinated (SP) varieties] and hybrids developed through controlled pollination of selected parents.

Compared to hybrids, the yields from varieties are lower but the farmer can save and re-use the seed from year to year for several generations. The downside of using farmers' saved seed of OP and SP varieties is that there is some degeneration of uniformity, yield potential and quality from one generation to the next when such seeds are reused. Hybrid seeds compared to OP seeds usually do not perform well when used by the farmer from saved seed in the next generation and must be repurchased every year. The loss in yield can be very significant.

## Hybrid Seed Production

The development of seed crops takes place in several steps. The process begins with trait selection – choosing plants that have desirable characteristics, such as high yield, nutritional content, flavor, size or tolerance to certain diseases and pests. Trait selection requires an extensive pool of germplasm and significant research and development capabilities. Seed companies produce both hybrid and OP seeds. OP seeds are pollinated by natural means and produce progeny with no significant variation from their component lines. In many crops, this type of nucleus seed is the seed produced by the breeder to develop the particular variety and is directly used for multiplication as breeder seed. Breeder seed is the seed material directly controlled by the originating or the sponsoring breeder or institution for the initial and recurring production of seeds to maintain traits indigenous to a specific parent line. In contrast, hybrid seeds are the first generation progeny of two different parent lines. Hybrid seeds are produced by crossbreeding two genetically dissimilar parent plant lines. The hybrid seed production depends on the crop variety. Hybrid seed is produced after crossing a male and a female.



The progeny of hybrid seeds (i.e., the F1 shown in the illustration above) that results from the crossing is sold to the farmer. The F1 hybrid seed possesses the hereditary characteristics determined by the selected traits of the parent lines and also would normally contain enhanced performance characteristics superior to the parent lines. The yield benefit is a result of hybrid vigor or heterosis, a naturally occurring characteristic across the biological world. Crops produced from these seeds exhibit a higher degree of uniformity and produce higher yields. However, second generation seed produced by a hybrid will not inherit the enhanced performance characteristics of its hybrid parent. Thus, crops produced from seeds saved from hybrid crops do not display the same performance. As a result, hybrid crop farmers must purchase new hybrid seeds everytime in order to benefit from hybrids. The demand for hybrid seeds has been increasing in recent years.

Seed companies can typically demand a premium for their proprietary hybrid seeds. This is because these seeds are generally the only alternative for farmers looking for certain traits, such as increased yields, tolerance etc. Farmers worldwide have recognized the value of hybrids (including high yields and disease tolerance) and are beginning to switch over to hybrids from OP seeds.

The benefits of hybrid seeds are such that there is economic advantage to growers who purchase hybrid seed each year. Sales of hybrids are less susceptible to erosion due to farm-saving of seed. Successful hybrids have been evolved and commercialized in many crops.

## Biotechnology

The arrival of biotechnology, of which the first commercially significant products appeared on the market in the mid-1990's, has had a significant impact on both the crop protection and seed industries.

In the case of crop protection, biotechnology has affected the composition of the market for some crops, mainly soybeans and some other oilseeds in several countries, by causing a shift from the use of selective herbicides to nonselective herbicides that can be used on herbicide-tolerant crops that have been developed through biotechnology. The impact of pest-tolerant crops is also being felt on the insecticide market. Biotechnology also provides tools that support the invention of novel, active ingredients by enabling identification of new targets through the use of tests that allow large numbers of potentially useful substances to be screened and the use of genomic technology to define the mode of action of chemicals at an earlier stage than is currently achievable.

The introduction of improved traits in crops using bio-tech tools, has enhanced the value of the seed market significantly by allowing products which command premium due to their unique qualities. Biotechnology can be used both to facilitate traditional breeding processes to develop new varieties by using genetic markers to follow the incorporation of desired traits and to introduce new plant varieties that are genetically modified to express traits desirable to the grower, such as high oil or vitamin content and increased levels of health-beneficial dietary components, and traits that are beneficial to the grower, such as resistance to pests, diseases and selective herbicides.

Additional traits that benefit the grower and the consumer are under development. Biotechnology revolution is poised to bring about further changes in the market and create significant new market opportunities in the near future.

Since the commercialization of biotech crops in 1996, farmers have consistently increased their plantings of biotech crops by double-digit growth rates every single year. The increased hectareage and impact of the five principal developing countries (China, India, Argentina, Brazil and South Africa) growing biotech crops is an important trend with implications for the future adoption and acceptance of biotech crops worldwide. [Source: ISAAA Briefs No. 35-2006: Global Status of Commercialized Biotech/GM Crops: (<http://www.isaaa.org/kc/cropbiotechupdate/01/18.htm>)]

In 2022, the global market value of biotech crops, forecasted by Croprosis, was US\$17.2 billion representing 23.9% of the approximately \$70.9 billion global commercial seed market. The global value of the biotech crop market was estimated as US\$186.1 billion for 2022.

[Source: ISAAA Briefs No. 35-: Global Status of Commercialized Biotech/GM Crops: 20 (<http://www.isaaa.org/resources/publications/briefs/35/executivesummary/default.html>)]

### Genetically Modified Crops

When a gene from one organism is purposely transferred or moved to improve or change the characteristics of another organism in a laboratory, the result is a genetically modified organism. It is also called “transgenic”, for transfer of genes.

There are different methods of manipulating genetics to introduce improved or more desirable traits. This technique is applied in the controlled environment of a laboratory where genes that express the desired trait are physically moved or added to a new plant to enhance the trait in that plant. Plants produced with this technology are transgenic. For example, this process has been performed many times on different species of crops to produce insect or herbicide resistant plants. Such crops are referred to as Genetically Modified Crops (“GM crops”). More recently with the advancement of technology, molecular markers are being extensively used to speed up the technology.

With traditional breeding, plants often exchange large, unregulated chunks of their genomes. This can lead to both useful and unwanted traits in the offspring. The unwanted traits can be unsafe. Breeders sometimes have to crossbreed many plants over multiple generations to produce the desired trait. Biotechnology, on the other hand, allows new traits to be introduced in a far more specific manner and without the complications from undesirable genes and extensive crossbreeding. Biotechnology also allows traits from any source to be applied.

Many GM crops grown today have been developed to resist certain insects / pests with positive environmental effects. There are genetically modified plants being developed today to produce specific vitamins, resist plant viruses and even produce products for medical uses. However, in many parts of the world the planting of GM crops is currently not allowed pending concrete scientific data on its long term impact on the environment and human safety.

### Production

Seed, being a biological entity has to be grown and cannot be manufactured.

Generally, large sized seed crops are produced locally in order to facilitate transport. Industrial processes are used when sorting, cleaning, packaging, or treating and coating the seed, which are generally performed at centralized processing facilities.

As seed production requires long lead times, making accurate forecasts of demand is important for seed companies. In the case of hybrids, for example, breeder seed must be developed initially and then multiplied into sufficient levels of foundation (parent) seed to produce a hybrid seed. Each step in the process requires a growing season.

Seed firms with a marketable seed product typically contract out the production and multiplication processes to independent farmers, farmer's associations, and private firms. Breeders provide contract growers with the foundation seed (parent seed stock produced from the original seed developed by plant breeders) to produce the marketable seed.

The production through contract growers is closely managed by seed firms to ensure that there is no genetic contamination and the desirable plant characteristics are carried through to subsequent generations by preventing open pollination, disease or pest infestation and other types of problems that could affect hybrid quality. Contract growers are carefully selected by seed firms and are provided with technical assistance and supervision. Seed firms closely control and monitor all stages of seed production, from planting to harvest.

#### Seed Conditioning

After harvest the seed has to be conditioned to render it fit for sale to farmers. The conditioning process typically includes drying, cleaning and sorting the seed, treating the seed with insecticides and fungicides and packaging the seed for distribution and sale. Seed is also subject to inspection under various government programs to ensure that the final product meets certain quality standards. This inspection may include tests for purity, germination, presence of noxious weed seeds and moisture content.

#### Marketing and Distribution

Marketing and distribution channels are generally localized. Seed companies create awareness about their products among farmers. Large seed firms play a direct role in marketing and distributing their end product to regional, national and international markets. Many firms also license or outsource marketing and distribution to private firms and individuals to improve access to local markets. In addition to company sales, distribution is typically run by local distributors including inter alia independent agents, such as farmer-dealers, farmers' associations, and private wholesalers and retailers. Different distribution channels are used in different regions and markets.

#### Seed Pricing

The market price of seed incorporates the costs associated with research and development, production, processing, marketing and distribution. In the long run, the price must be responsive to the farmers' willingness to purchase while at the same time ensuring a profit margin that provides an attractive return on capital to the seed company. Furthermore, pricing depends on the competitiveness of the particular seed market, availability of similar seed products and the pricing behavior of those firms that hold large shares of the market.

Research and development typically forms a significant cost component of product development, particularly for development of proprietary hybrids.

Seed production is another significant cost component, depending on the seed producability and techniques and labour involved during production. Production costs include contracting with farmers to grow seed for exclusive resale to the seed firm. Seed companies typically pay contract growers a margin above the commodity market price for the seed to provide enough incentive for contract growers to maintain optimal growing conditions for production of a quality product.

Seed conditioning and treatment is another cost element of the seed price. This process benefits from scale economies arising from the use of certain capital equipment.

Advertising, promotion and distribution are other major costs. These costs vary with the stage of the product cycle and, depending on the regional market, can account for more than 10% to 20% of the seed price. Advertising and promotion are necessary to distinguish a seed company's product from other firms' products in the market, to educate customers on the best crop management practices to ensure optimum utilization of the genetic potential. Distribution costs include costs of transportation and communication between production facilities, wholesalers, retailers and farmers, as well as storage costs (including financial costs) if seed is held as inventory between seasons.

## Key Crops

### Sunflower

Sunflower is an oilseed crop. Commercially available sunflower varieties contain a considerable percentage of oil in the seed, with the majority used in vegetable oil, margarine and for industrial purposes. Sunflower cake is also used as poultry and animal feed.

The oil from the sunflower accounts for the majority of the value of the sunflower crop. Sunflower oil is generally considered a “healthy oil” because of its light color, high level of unsaturated fatty acids and lack of linoleic acid, bland flavor and high smoke points. The primary fatty acids in the oil are oleic and linoleic. The primary use of sunflower oil is as a salad and cooking oil or in margarine.

Major states producing sunflower are Karnataka, Andhra Pradesh and Maharashtra.

### Grain Sorghum

Grain sorghum is grown mainly for human consumption. The dry stock of the plant is used as animal feed. It is highly drought resistant and produces attractive and sustainable yields compared to other crops. It is also being considered as a source of raw material for ethanol production. If successful, it would have a significant impact on the area under grain sorghum cultivation.

Major states producing grain sorghum are Maharashtra, Karnataka and Madhya Pradesh. The approximate area under hybrid cultivation is 1 M Ha.

### Cotton

Cotton requires intensive use of pesticides as various pests cause extensive damage. Over the past 40 years, many pests have developed resistance to pesticides. So far, the only successful approach to engineering crops for insect tolerance has been the addition of the Bt. toxin, a family of toxins originally derived from soil bacteria. The Bt. toxin contained in the Bt. crops is no different from other chemical pesticides, but causes much less damage to the environment. These toxins are effective against a variety of economically important crop pests but pose no hazard to non-target organisms like mammals and fish. Three Bt. crops are now commercially available: corn, cotton and potato. Cotton is currently the most popular of the Bt. crops. The Bt. gene was isolated and transferred from a certain bacteria into cotton. This cotton line was subsequently crossed with Indian cotton to introduce the gene into native varieties. Bt. cotton was launched commercially in India in 2002.

The Bt. cotton variety contains a foreign gene obtained from a certain bacterium. This bacterial gene, introduced genetically into the cotton seeds, protects the plants from bollworm, a major pest of cotton. A bollworm feeding on the leaves of a Bt. cotton plant becomes lethargic and sleepy, thereby causing less damage to the plant.

Advantages of the Bt. variety of cotton include a higher yield and fewer sprays of chemical pesticide than the normal cotton variety. According to the Director General of the Indian Council of Agricultural Research, India uses about half of its pesticides on cotton to fight the bollworm menace. The use of Bt. cotton has led to an increase in cotton yield in countries where it is grown.

From the total area under cotton cultivation in the country, the proportionate area used for cultivation of Bt. Cotton has increased consistently over two decades. The study also reveals that Bt. Cotton seeds were able to provide better return on investment to farmers compared to other hybrids.

Major states producing cotton are Andhra Pradesh, Gujarat, Karnataka, Maharashtra, Punjab and Tamil Nadu. The demand for Bt. cotton is increasing every year with the farmers looking for higher yield.

### Corn

Corn is grown in almost all the major cropping regions throughout the world. It is one of the most important crops for food, animal feed and industrial use in the world. Corn hybrids are produced as single crosses, double crosses and three way

crosses. Of late single crosses are becoming popular because of their high yielding potential. Corn is also being tried as a potential source of ethanol.

Major corn producing states are Andhra Pradesh, Karnataka, Bihar, Maharashtra and Uttar Pradesh. The approximate area under cultivation is 6.20 M Ha out of which only 1/3rd i.e. 2.75 M Ha are under hybrids. The hybridization level in the southern states is estimated to be more than 95%, whereas in areas under northern states and eastern states, the hybridization levels are less than 40%. Rajasthan is estimated to have the lowest level of hybridization at less than 5%.

#### Paddy

The initial hiccups in the paddy hybridisation program were poor level of heterosis, non-availability of suitable germplasm, high cost of seed production, cooking quality and taste. However, hybrid paddy now yields more than the best of the inbred varieties upon which the bulk of paddy production of tropical Asia depends.

The approximate area under cultivation is 42 M Ha approximately out of which less than 1 M Ha is under hybridization. This poses a big opportunity in terms of its growth potential. Major states consuming hybrid paddy are Haryana, Bihar, Jharkhand & Uttar Pradesh.

#### Seed Industry – High Barriers to Entry

In order to develop products in the seed industry, companies need access to an extensive germplasm bank and adequate capital to develop products over long periods of time. The development of a rich germplasm bank requires the accumulation of genetic material over a period of years. Germplasm is scarce, expensive and must be refined properly to meet the breeding objectives. Furthermore, development cycles can last for about five to twelve years prior to launching a commercially viable product. Seed companies need to invest heavily in creating research and development facilities which is a must to maintain a full product pipeline. Success in the seed industry requires national distribution, building brand equity and achieving economies of scale in mass production.

#### R&D

Increased possibilities presented by new technologies and the faster introduction of traits through these technologies, as well as anticipated demand, have made research and development critical to the seed industry. Hybrid life cycles are getting shorter due to technological advancements and growing competition. This has created an urgent need to have in the pipeline an assortment of hybrids which can successfully replace the current hybrids as also protect and further enhance market share. The seed industry develops seeds embodying improvements, such as higher yields, tolerance to disease and pests, and traits specific to regional agroclimatic conditions and other value additions in terms of quality and nutrition. A hybrid's success in the market depends primarily on its improved and unique traits, which are achieved through constant efforts from R&D. Successful R&D requires coverage of a broad range of technological platform. Because of the multi dimensional nature of the research being conducted, and also to utilize external professional expertise to expedite the process, partnerships with external collaborators, such as academic institutions and other research bodies, have become the norm in the industry.

R&D efforts are generally centered on a number of aspects of seeds including:

**Germplasm development:** A germplasm platform is central to seed research and development. Improvement of the core genetic makeup of the plant is the result of breeding techniques integrating modern technology.

**Molecular Marker technologies:** Marker technologies allow more accurate plant breeding through the use of DNA fingerprints. Through this technology, genetic traits can be more efficiently identified to speed up the selection process as well as launch in the market.

**Application of biotechnology:** Through biotechnology, genetic traits can be introduced directly into the germplasm without the necessity of cross breeding over multiple generations. In addition, genetic traits from other organisms can be introduced with beneficial results.

**Seed technology:** Seed technologies include seed pelleting, priming and coating technologies and seed treatments. These technologies ensure that the seeds produced are of high germination, vigour and viability.

Seed quality: Seed, being a biological entity, has its own intricacies of ensuring quality. Seed quality parameters mainly are germination, genetic purity, physical purity and vigour. It is of increasing importance to ensure global quality standards by employing the most advanced methods during seed production, processing, packing, transportation and storage.

#### Organic farming

Repeated warnings about the harmful use of chemical fertilisers were grossly ignored in the euphoria of the Green Revolution. The incessant use of chemicals eroded the soil fertility and polluted the ground water reserve. The agriculture productivity remains constant despite use of chemical fertilisers. This question is haunting the farming community.

Though, increase in fertiliser consumption has significantly contributed to the sustainable production of foodgrains, many health problems have surfaced in the last three decades. The NPK consumption has also increased consistently over past few years.

Every year 5.33 million tons of soil erodes in India and with it 53.3 lakh tons of NPK flows away. The three major components of bio farming are integrated plant protection, integrated pest control and soil and water management. A task force on organic farming set up by the Government of India defines bio farming as a holistic production management system, which promotes an agro eco-system of health including bio-diversity, biological activity.

The immense commercialisation of agriculture has also had a very negative effect on the environment. The use of pesticides has led to enormous levels of chemical buildup in our environment, in soil, water, air, in animals and even in our own bodies. Fertilisers have a short-term effect on productivity but a longer-term negative effect on the environment where they remain for years after leaching and running off, contaminating ground water and water bodies. The use of hybrid seeds and the practice of monoculture have led to a severe threat to local and indigenous varieties, whose germplasm can be lost for ever. All this for "productivity"!

(Source: Article by Raman Gujral, Regional Co-ordinator, Entrepreneurship Development Institute of India.)

The thrust on organic farming has lead to the increased importance of micro-nutrients and bio products since these products serve the very purpose of organic farming. The market for these products is very encouraging. However, there is very limited statistical data available for this industry.

#### Regulation

The development, testing and commercialization of seeds are subject to legislation and regulation in India. These regulations may govern genetic exclusivity, environmental concerns, product viability, performance and labeling. Seed companies must generally comply with the country's quality standards for seed products before they can do business. While compliance with the laws and regulations of the country adds a cost of doing business to the industry, the industry also depends on the protections afforded by the intellectual property laws of the relevant countries to be able to recover its investment in research and development. Strong and effective intellectual property laws encourage new product development by preventing competition by other seed companies, once a seed company has established rights in a certain seed or technology. The micronutrient business is also governed by rules and regulations framed by respective state governments.

#### Registration Process

The procedure for registration of seeds is prescribed by the Seeds Act, the Seeds Rules and the Seeds (Control) Order.

The Seeds Act and the Seeds Rules enumerate the procedure for registration of seeds of a notified kind or variety, whereby the Central Government, may, after consultation with the Central Seed Committee declare a kind or variety of seed to be a notified kind or variety. Further, after consultation with the Central Seed Committee, the Central Government may, by notification in the Official Gazette, specify the minimum limits of germination and purity with respect to any seed of any notified kind or variety; the mark or label to indicate that such seed conforms to the minimum limits of germination and purity and the particulars which such mark or label may contain.

Thereafter, any person selling, keeping for sale, offering to sell, bartering or otherwise supplying any seed of any notified kind or variety may, if he desires to have such seed certified by the certification agency constituted under the Seeds Act, apply to the said certification agency for the grant of the said certificate. However, the seed to which the application relates must conform to the minimum limits of germination and purity, as may be prescribed.

The Seeds (Control) Order enumerates the procedure for registration for every person carrying on the business of selling, exporting or importing seeds, including but not limited to, those of a notified kind or variety. It prescribes that every person carrying on the business of selling, exporting or importing seeds at any place shall do so under the terms and conditions of the license granted under the Seeds (Control) Order. Every person desiring to obtain a license for selling, exporting or importing of seeds shall make an application in duplicate in the prescribed form together with the prescribed fee to the licensing authority.

### Intellectual Property Rights

The importance of Intellectual Property Rights in India is well established at all levels i.e. statutory, administrative and judicial. India ratified the General Agreement on Tariffs and Trade (GATT) in 1994, which promoted reduction in tariffs and quotas and provided for trade liberalization. Subsequently, pursuant to the formation of the World Trade Organisation (“WTO”), India ratified the Agreement on Trade Related Aspects of Intellectual Property Rights (“TRIPS”) which came into force from January 1, 1995.

TRIPS provides guidelines for the harmonization of IPR laws in the WTO and thus, aims at reducing the various obstacles of international trade by recognizing the need for adequate promotion and protection of intellectual property and also ensuring measures and including procedures for the enforcement of IPR.

The Pre-TRIPS era had the world divided into different sections following a wide array of varying standards in IPR. These variations served as obstacles to international trade and IPR. The Post-TRIPS era, however, aims at achieving a proper balance of various domestic and national interests. It recognizes the special needs of the least developed countries in respect of maximum flexibility in the domestic implementation of laws and regulations and thus, enables them to create a reliable and viable technological base.

TRIPS identifies the following IPR instruments and aims at harmonizing them at a global level:

- Copyright and related rights
- Trade marks including service marks
- Geographical Indications including appellations of origin
- Industrial Designs
- Patents
- Protection of new plant varieties
- Protection of the layout-designs of integrated circuits
- Protection of undisclosed information including trade secrets and test data
- Control of anti-competitive practices in contractual licenses

Laws protecting the development of new plant varieties (plant variety protection laws and plant breeders’ rights) and inventions relating to plants (patent laws) are critical to the development of the seed industry. Seed companies who successfully obtain protection for their proprietary seed technology can have a competitive advantage over others.

New plant varieties can be protected under the UPOV Convention. UPOV is the International Union for the Protection of New Varieties of Plants, an intergovernmental organization, which has presently 45 members, including the United States, Argentina, Australia and most EU member-states. Alternatively, it is possible in some countries to seek plant variety protection under their respective national Plant Variety Protection Acts.

Many countries have not yet made a final decision on whether claims to plants will be excluded from patent protection. Such claims are often rejected or may, if granted, be challenged. The European Patent Convention to which most Western European countries are signatories, excludes plant varieties and biological processes from patent protection. However, patents are available for inventions on processes and products, such as genes, proteins and plants characterized by new traits, if the process or product is novel, unobvious and useful, and provided plant varieties are not individually claimed. In Brazil, the patent law explicitly excludes plants (i.e., not only plant varieties) from patent protection. However, most countries, including Argentina, do grant patent claims to genes or DNA constructs.

In India, however, the development of intellectual property rights for seed varieties has come at a slower pace. Though the government formulated the New Seed Policy in 2002, which set the groundwork for the establishment of a more robust intellectual property system for seed varieties, it will take some time to fully implement the policy’s objectives, if at all.

## ROAD AHEAD

India is expected to achieve the ambitious goal of doubling farm income by 2022. The agriculture sector in India is expected to generate better momentum in the next few years due to increased investment in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. Furthermore, the growing use of genetically modified crops will likely improve the yield for Indian farmers. India is expected to be self-sufficient in pulses in the coming few years due to concerted effort of scientists to get early maturing varieties of pulses and the increase in minimum support price.

In the next five years, the central government will aim US\$ 9 billion in investments in the fisheries sector under PM Matsya Sampada Yojana. The government is targeting to raise fish production to 220 lakh tonnes by 2024-25. Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP) and Good Hygienic Practices (GHP) by the food processing industry will offer several benefits. The agri export from India is likely to reach the target of US\$ 60 billion by the year 2022.

## INVESTMENTS

Some major investments and developments in agriculture are as follows:

- According to the Department for Promotion of Industry and Internal Trade (DPIIT), the Indian food processing industry has cumulatively attracted Foreign Direct Investment (FDI) equity inflow of about US\$ 2.55 billion between April 2000-March 2022.
- In 2022, the Government of India is planning to launch Kisan Drones for crop assessment, digitization of land records, spraying of insecticides and nutrients.
- India's agricultural and processed food products exports stood at US\$ 5,987 million in the first quarter of FY 2022-23, up by 14% YoY.
- In FY 2021-22, agriculture and allied products exports stood at US\$ 50.21 billion.
- Gross Value Added by the agriculture and allied sector was 18.8% in FY 2021-22 (until 31 January, 2022)
- Agriculture and allied activities recorded a growth rate of 3.9% in FY 2021-22 (until 31 January, 2022)
- Consumer spending in India will return to growth in 2022 post the pandemic-led contraction, expanding by as much as 7%.
- Private consumption expenditure (at constant prices) was estimated at Rs. 80.8 trillion (US\$ 1.08 trillion) in FY22 against Rs. 75.6 trillion (US\$ 1.01 trillion) in FY20.
- The organic food segment in India is expected to grow at a CAGR of 10% during 2015-25 and is estimated to reach Rs. 75,000 crore (US\$ 10.73 billion) by 2025 from Rs. 2,700 crore (US\$ 386.32 million) in 2015.
- The processed food market in India is expected to grow to Rs. 3,451,352.5 crore (US\$ 470 billion) by 2025, from Rs. 1,931,288.7 crore (US\$ 263 billion) in FY20 on the back of government initiatives such as planned infrastructure worth US\$ 1 trillion and Pradhan Mantri Kisan Sampada Yojna. The food processing industry employs about 1.77 million people. The sector allows 100% FDI under the automatic route.
- From 2017 to 2020, India received ~US\$ 1 billion in agritech funding. With significant interest from the investors, India ranks third in terms of agritech funding and number of agritech start-ups. By 2025, Indian agritech companies are likely to witness investments worth US\$ 30-35 billion.
- Nestle India will invest Rs. 700 crore (US\$ 100.16 million) in construction of its ninth factory in Gujarat.



## GOVERNMENT INITIATIVES



Some of the recent major Government initiatives in the sector are as follows

- In the Union Budget 2022-23:
  - Rs. 1.24 lakh crore (US\$ 15.9 billion) has been allocated to Department of Agriculture, Cooperation and Farmers' Welfare.
  - Rs. 8,514 crore (US\$ 1.1 billion) has been allocated to the Department of Agricultural Research and Education.
- In July 2022, PM Formalisation of Micro food processing Enterprises (PMFME) scheme was launched for providing financial, technical and business support for setting up/ upgradation of micro food processing enterprises in the country with an outlay of Rs. 10,000 crore (US\$ 1.27 billion).
- The Indian government is planning to launch Kisan Drones for crop assessment, digitization of land records, spraying of insecticides and nutrients.
- NABARD will assist the creation of a blended capital fund with a focus on the agricultural start-up ecosystem which will be used to fund agriculture and rural enterprise startups that are related to the farm product value chain.
- A network of 729 Krishi Vigyan Kendras has been established at the district level across the country to ensure that newer technologies such as improved variety seeds of crops, new breeds/ strains of livestock and fish, and improved production and protection technologies reach farmers.
- In October 2021, the Union Minister of Home Affairs and Cooperation launched the 'Dairy Sahakar' scheme in Anand, Gujarat.
- Ministry of Civil Aviation launched the Krishi UDAN 2.0 scheme in October 2021. The scheme proposes assistance and incentive for movement of agri-produce by air transport. The Krishi UDAN 2.0 will be implemented at 53 airports across the country, largely focusing on Northeast and tribal regions, and is expected to benefit farmers, freight forwarders and airlines.
- In October 2021, Agricultural and Processed Food Products Export Development Authority (APEDA) signed a Memorandum of Understanding (MoU) with ICAR-Central Citrus Research Institute (ICAR-CCRI), Nagpur, for boosting exports of citrus and its value-added products.
- In October 2021, the Union Ministry of Agriculture and Farmers Welfare announced that 820,600 seed mini-kits will be distributed free of cost in 343 identified districts across 15 major producing states under a special programme. This programme is likely to boost production and productivity by speeding up the seed replacement rate and subsequently, help in increasing farmer's income.
- In September 2021, Prime Minister Mr. Narendra Modi launched 35 crop varieties with special traits such as climate resilience and higher nutrient content.
- Prime Minister of India launched the Pradhan Mantri Kisan Samman Nidhi Yojana (PM-Kisan) and transferred Rs. 2,021 crore (US\$ 284.48 million) to bank accounts of more than 10 million beneficiaries on February 24, 2019. As per the Union Budget 2021-22, Rs. 65,000 crore (US\$ 8.9 billion) was allocated to Pradhan Mantri Kisan Samman Nidhi (PM-Kisan).

- The Indian government has initiated Digital Agriculture Mission for 2021-25 for agriculture projects based on new technologies such as artificial intelligence, block chain, remote sensing and GIS technology, drones, robots and others.
- In September 2021, the Union Ministry of Agriculture and Farmers' Welfare signed five MoUs with CISCO, Ninjacart, Jio Platforms Limited, ITC Limited and NCDEX e-Markets Limited. This MoU will have five pilot projects, which will help farmers make decisions on the kind of crops to grow, variety of seeds to use and best practices to adopt to maximise yield.
- With a budget of US\$ 1.46 billion, the 'Production-Linked Incentive Scheme for Food Processing Industry (PLISFPI)' has been approved to develop global food manufacturing champions commensurate with India's natural resource endowment and to support Indian food brands in international markets.
- Under Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PM FME), an outlay of Rs. 10,000 crore (US\$ 1.34 billion) over a period of five years from FY21 to FY25 has been sanctioned.
- In April 2021, the Government of India approved a PLI scheme for the food processing sector with an incentive outlay of Rs 10,900 crore (US\$ 1,484 million) over a period of six years starting from FY22.
- The Agriculture Export Policy, 2018 was approved by the Government of India in December 2018. The new policy aimed to increase India's agricultural export to US\$ 60 billion by 2022 and US\$ 100 billion in the next few years with a stable trade policy regime.
- The Government of India is going to provide Rs. 2,000 crore (US\$ 306.29 million) for computerization of Primary Agricultural Credit Society (PACS) to ensure cooperatives are benefitted through digital technology.
- The Government of India launched the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) with an investment of Rs. 50,000 crore (US\$ 7.7 billion) aimed at development of irrigation sources for providing a permanent solution from drought.
- Government plans to triple the capacity of food processing sector in India from the current 10% of agriculture produce and has also committed Rs. 6,000 crore (US\$ 936.38 billion) as investments for mega food parks in the country, as a part of the Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters (SAMPADA).
- The Government of India has allowed 100% FDI in marketing of food products and in food product E-commerce under the automatic route.

(Source : IBEF website, Annual Report 2021-22 Department of Agriculture and Farmers Welfare)

## OUR BUSINESS

*Following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Draft Prospectus, including the information contained in the section titled ‘Risk Factors’, beginning on page 18 of the Draft Prospectus.*

*This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled ‘Risk Factors’ and ‘Financial Information’ and chapter titled ‘Management Discussion and Analysis of Financial Condition and Results of Operations’ beginning on page 18, 128 and 152, respectively, of the Draft Prospectus.*

*Unless the context otherwise requires, in relation to business operations, in this section of the Draft Prospectus, all references to “we”, “us”, “our” and “our Company” are to Nirman Agri Genetics Limited and Proprietary Concern, M/s. Nirman Agri Genetics as the case may be.*

### Overview

We are one of the organized Agri-Input Company in India engaged in the business of production, processing and marketing of high-quality hybrid seeds, Pesticides, Bio-organic for different crops like corn, sunflower, cotton, paddy, grain sorghum, etc. and have recently forayed into micronutrients and bioproducts. We also produce non-hybrid seeds, primarily for paddy.

Our Promoter and Managing Director, Pranav Kailas Bagal, is a Diploma holder in Agriculture from National Backward Krushi Vidhyapeeth, Solapur, Maharashtra. He has around six years of experience in the field of Marketing of Agriculture inputs, managing customer relations and trade terms, managing manufacturing and supply chain strategies, managing costs and establish strategic partnerships with farmers, vendors and service providers etc. He has been associated with our Company as Director since incorporation. Prior to starting our Company, he has done Agri-inputs business in Proprietary concern M/s. Nirman Agri Genetics from 2018 till the time same is taken over by our Company and before that he has worked as Marketing Manager with Shivam Krushi Sheti Udhog Kendra engaged in whole sale and retail distribution of seeds, pesticides, fertilisers and agriculture related equipments.

We have attained over four years of experience in this seed business through our Company and Proprietary concern of our Promoter and are working towards our objective of developing seeds having superior yield potential, drought tolerance, tolerance to pests and diseases etc.

We currently have production, outsourced processing and R&D facilities in Maharashtra at Nashik and Nimgul and in Gujarat as well as Madhya Pradesh. Our research mainly focuses on developing superior hybrids in different crops like corn, cotton, sunflower, paddy, bajra, etc. All the seed varieties developed by our R&D team are marketed under the brand name of ‘Nirman Agri Genetics’. We expect our R&D facilities to drive the future growth of our Company.

In the year 2022, we began to market bio-pesticides, bio-fertilizers, micronutrients, fertilizer mixtures & plant growth regulators under the name and style of “Nirman Agri Genetics”. Seeds, bio-fertilizers, micronutrients etc. are related products having the same end user i.e. the farmer, and are usually sold through similar dealer networks. With a view of achieving the benefit of synergy in marketing the aforesaid products we have recently added them to our products portfolio. We believe that this addition of products would enable us to address the needs of the farmers like plant protection and nourishment. We have marketing network with loyal and committed distributors / dealers in Maharashtra Madhya Pradesh & Gujarat.

Our focus is to become a leading crop solutions provider to the farmer by supplying high yielding hybrid seeds and crop management through micronutrients, bioproducts etc. For achieving this, we are engaging in research and development efforts in the areas of superior breeding programmes and biotechnology tools that will enable us to develop highly effective and differentiated hybrid seeds, micronutrients and bioproducts.

The following table sets forth our product wise sales

(₹ in Lakhs)			
Product / Services Name	31.10.22	FY 2022	FY 2021
Seeds	1552.72	1348.91	382.21
Bio Agri Inputs	150.96	0.00	0.00
Micronutrients	100.60	0.00	0.00
<b>Total – Sales</b>	<b>1804.28</b>	<b>1348.91</b>	<b>382.21</b>

The following table sets forth our State wise sales

(₹ in Lakhs)

State	31.10.22	FY 2022	FY 2021
Maharashtra	1341.66	1091.88	324.21
Madhya Pradesh	370.98	175.24	58.00
Gujarat	57.90	48.09	0.00
Karnataka	33.74	33.70	0.00
<b>Total – Sales</b>	<b>1804.28</b>	<b>1348.91</b>	<b>382.21</b>

The following table sets forth our financial summary:

(₹ in Lakhs)

Particulars	31.10.22	FY 2022	FY 2021
Share Capital	256.00	1.00	1.00
Net Worth	447.51	264.41	6.47
Revenue	1,804.28	1,348.91	382.21
Profit After Tax	230.44	256.02	5.47
Basic and Diluted Earnings per Equity Share (Considering bonus in all previous years) (in ₹)	9.00	10.00	0.21
Net Asset Value/Book Value per Equity share (Considering bonus in all previous years) (in ₹)	17.48	10.33	0.25
Total Borrowings	171.41	124.67	99.19

## OUR STRENGTHS

### 1. Hybrid Seeds for wide range of Crops

We have hybrid seeds for corn, sunflower, cotton, paddy *etc.* These varieties give us an edge in the market and we have the ability and infrastructure to further develop different hybrids in these crops. Our product portfolio gives us a natural hedge against dependence on any particular crop(s), and we have an advantage to meet changing farmer needs even in the event of crop-shifting by farmers.

### 2. Founder-led experienced management team

Our management team's clear sense of mission, vision, focus, and expertise define the NIRMAN culture. Our Promoter and Managing Director, Pranav Kailas Bagal, is a Diploma in Agriculture from National Backward Krushi Vidhyapeeth, Solapur, Maharashtra. He has around six years of experience in the field of Marketing of Agriculture inputs, managing customer relations and trade terms, managing manufacturing and supply chain strategies, managing costs and establish strategic partnerships with farmers, vendors and service providers etc. He has been associated with our Company as Director since incorporation. Prior to starting our Company, he has done Agri-inputs business in Proprietary concern M/s. Nirman Agri Genetics from 2018 till the time same is taken over by our Company and before that he has worked as Marketing Manager with Shivam Krushi Sheti Udhog Kendra engaged in whole sale and retail distribution of seeds, pesticides, fertilisers and agriculture related equipments. He is currently responsible for managing marketing and business development functions of the Company.

The Promoters of our Company have good industry experience and has been instrumental in the consistent growth of our Company's performance. Our management team comprises of personnel having operational, marketing and business development experience. We believe that our management team's experience and their understanding of our business will enable us to continue to take advantage of both current and future market opportunities.

For further details regarding the experience and qualifications of our management team please see "Our Management" on page 103 of this Draft Prospectus.

### 3. Established Brand

We have been serving the Indian farmers for last few years and have been consistently improving our turnover, as well as our presence and profitability. We have withstood the pressures of competition and continue to serve quality seeds to the Indian farmers. On account of last few years standing and our efforts, farmers recognize our brand "Nirman Agri

Genetics” because of its quality. Further, with constant and consistent efforts to improvement in performance of our hybrids, augmented with quality, we intend to become the preferred seed and other Agri Inputs brand for the Indian farmer.

For risks related to our business, our Company and our industry, please see “Risk Factors” on page 19 of this Draft Prospectus.

#### **4. Research & Development capabilities**

R&D is the backbone of the Agri-inputs industry. We have been undertaking R&D at Nimgul for breeding high performance hybrids and also value-added micronutrients and bioproducts. Our R & D is carried out through breeders / farmers who are engaged in full time research for us. Currently we are taking Truthful label varieties seed production programme at the farmer’s fields. Our R&D infrastructure includes 9 acres farmland with 2 borewells given to us free of cost for a period of 5 years from November 01, 2022 by our Promoters and Promoter Group at Nimgul, which we believe makes us a competitive player in the industry. We expect our R&D facilities to drive the future growth of our Company.

#### **5. Marketing and Distribution of synergistic products**

We have marketing network with loyal and committed distributors / dealers in Maharashtra Madhya Pradesh & Gujarat. This enables us to reach all the important markets of the country. In the year 2022, we began to market bio-pesticides, bio-fertilizers, micronutrients, fertilizer mixtures & plant growth regulators under the name and style of “Nirman Agri Genetics”. Seeds, bio-fertilizers, micronutrients etc. are related products having the same end user i.e. the farmer, and are usually sold through similar dealer networks. With a view of achieving the benefit of synergy in marketing the aforesaid products we have recently added them to our products portfolio. We believe that this addition of products would enable us to address the needs of the farmers like plant protection and nourishment.

### **OUR BUSINESS STRATEGIES**

#### **1. Venturing in to high value segments**

We are already a volumes player, and we intend moving up the value chain in each of the crops being serviced by us, while retaining our hold on the volumes segment. We have already made progress in moving up the value chain in development of high yielding hybrids in corn, sunflower, cotton and paddy. Through continuing R&D efforts and further market penetration, our strategy is to ensure that we continue moving up the value chain through new and improved products which we hope will lead to better and higher margins and realisations.

#### **2. Venturing in to new Crops**

Our product portfolio has variety and gives us a natural hedge against dependence on any particular crop(s). However, there is untapped market potential presented by various other crops. We have been identifying such crops from time to time and try to gain a foothold in the markets where we believe that we have a significant opportunity to expand. For example, we have recently forayed into development of some new hybrids in vegetables as well as pesticides and fertilizers.

In the year 2022, we began to market bio-pesticides, bio-fertilizers, micronutrients, fertilizer mixtures & plant growth regulators under the name and style of “Nirman Agri Genetics”. Seeds, bio-fertilizers, micronutrients etc. are related products having the same end user i.e. the farmer, and are usually sold through similar dealer networks. With a view of achieving the benefit of synergy in marketing the aforesaid products we have recently added them to our products portfolio. We believe that this addition of products would enable us to address the needs of the farmers like plant protection and nourishment.

#### **3. Expansion in to new geographies**

We were primarily focused on serving the farmers in parts of Maharashtra, Gujarat and Madhya Pradesh. However, we are looking to expand our footprint to other areas, especially North, South and some parts of East India. Our strategy is to expand our reach both for our existing and proposed products in these areas. One of the objects for this Issue is to create infrastructure for our proposed expansion into different parts of Indian markets, which we believe presents significant growth potential for us.

#### 4. Expansion of marketing and distribution network

The challenge in the agri-inputs business lies in reaching a geographically dispersed end-user at the right time at the right place with the right product. It also involves ensuring that the end user has the necessary awareness of what raw material (agri-inputs) he requires to meet his specific requirements. Due to the seasonal and on-time nature of our business, best of R&D and production activities and best of quality production would not be realized if our products did not reach the end consumer in a timely manner, or if the consumer was not aware of the product. This makes a strong marketing and distribution network critical.

Our marketing and distribution network, which is our key strength, enables us not only to service our existing markets but also expand our reach further in most markets. Our core network of loyal and committed dealers has been built over our long presence in this market on the basis of proven product performance and meeting customer expectations. We recognize building of marketing and distribution network as fundamental to our proposed expansion strategy. We shall focus on expansion of our marketing and distribution network throughout India, through setting up of marketing offices, godowns and creating awareness among farmers and dealers. We believe that such expansion of our marketing and distribution capabilities shall significantly increase business opportunities.

#### DETAILS OF OUR BUSINESS

##### Our Locations

*Registered Office:* Vedant Apartment, Near Reliance Shoppee, Dindori Road, Panchavati, Nashik – 422 003 Maharashtra, India

*R & D Facility :* Mr. Kailas Bhimrao Bagal, Mr. Avinash Bhimrao Bagal and Mrs. Rajashree Avinash Bagal has given 9 acres farmland with 2 borewells situated at Nimgul Village, Dondaicha, Maharashtra to our Company free of cost for a period of 5 years vide their letter dated November 01, 2022.

*Processing Plants :* We have entered in to agreements with 4 companies for outsourcing of processing of field crop and vegetable seeds, the details of the same are as under:

Date of Agreement	Details of Agreement
August 15, 2022	Agreement with M. K. Agro Care, Plot No. 18, Abhishri Complex, Near Tulshi Hotel, Hajipur, Sabar Dairy, Himmatnagar - 383120, Gujarat.
August 22, 2022	Renewal of Agreement with New Renuka Hybrid Seeds, Plot No. B-16, MIDC, Chikhli, Dist. Buldhana - 443201, Maharashtra.
December 15, 2022	Agreement with S. R. Agri Seeds, Gram Pachalsi, Dist. Ujjain, Indore, Madhya Pradesh.
December 28, 2022	Agreement with Murlidhar Ginning & Processng, Sadatpura Bus Stand, Himmatnagar Highway Road, Idar, Dist. Sabarkantha - 383430, Gujarat.

##### Our Products and Services

Set forth below is a table describing our Company's seed products, planting months, harvest months and production areas of each of our Company's principal crops.

Crop	Planting Months		Harvesting Months		Production Area	
	Kharif	Rabi	Kharif	Rabi	Kharif	Rabi
Sunflower	August	October	December	February	Ranebennur	Eluru, Markapuram & Erragondapalem
Corn	May/June	October	September	March	Kurnool /Ranebennur	Eluru/Karimnagar/Jangareddy Gudem/Markapuram
Cotton	May	-	December	-	Gadwal/ Gajendragada/ Gujarat	-
Bajra	June	November	September	March	Ranebennur	Armoor / Porumamilla
Okra	June	October	September	December	Ranebennur	Ranebennur

Tomato	September	October	January	February	Ranebennur	Ranebennur
Paddy	June	November	October	March	Karimnagar, Warangal, Bhadrachalam	Karimnagar, Warangal, Bhadrachalam
Grain Sorghum	-	September	-	February	-	Bellary
Watermelon	-	October	-	January	-	Gajendragada/Koppal
Mustard	-	September	-	January	-	Gujarat & Rajasthan
Castor	July	-	December	-	Karimnagar/Kurnool	-
Chilies	August	-	January	-	Koppal / Ranebennur	-

### **Details about our major products:**

#### **Corn:**

Presently, our Company has 4 varieties of corn seeds (Fortuner, Nirman 111, 745, 216) in the market. Corn is the major driver of our revenues. In the Rabi season of 2018, we have launched a hybrid under the name ‘Fortuner’ and the launch has been commercially successful in the market. The demand for corn has increased because of its multi-dimensional usage now. Earlier it was used only for fodder whereas now it is also used for inter alia, human consumption, by-products, poultry, animal feed etc. Starch industries are the major consumers of commercial corn. We have observed that prices for commercial corn have been high and stable in the past. Farmers generally make good and steady profits by growing corn.



#### **Sunflower:**

We believe that our Company has a strong position in the Indian sunflower market. Our Company sells sunflower seeds in all of the key planting seasons and areas.

#### **Bajra:**

Our Company has 3 varieties of Bajra. Bajra has been a steady contributor to our total sales, and with our entry into the Madhya Pradesh markets, we expect a higher contribution from Bajra in the future. We have a strong germplasm collection required for this crop improvement program.





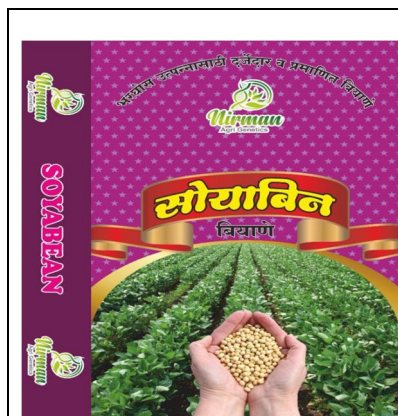
### Cotton:

Our Company has four varieties of cotton. It is another significant product in our portfolio. We believe that the sub-licensing agreement with Navkar Hybrid Seeds Private Limited for Bt. cotton would enable us to bring highly effective hybrid varieties of seeds into the market. We have launched 2 varieties of Bt. cotton into the market in 2018 and 2019 and the response has been satisfactory. We commercially launched Bt. cotton hybrids in 2021. Bt. cotton is giving an improved yield to farmers and we expect the same to contribute significantly to our sales in the future.



### Soyabean:

Our Company is engaged in the production of Soyabean seeds. Soyabean is also an important element of our Company's product portfolio.





**Paddy:**

Our Company is engaged in the production of paddy seeds. Paddy is an important from the point of view of possible future growth in this area, hybrid paddy enjoys a price premium of approximately three to four times over open-pollinated paddy. With technology now in place to allow hybrids to replace a large portion of the cultivation of OP paddy, several companies are entering the market and investing in hybrid paddy and have created positive momentum for market growth.

Besides the above crops, we are also into grain sorghum, mustard and vegetable crops like watermelon, tomato, okra, chilli, etc. Though their present contribution is insignificant, we believe that they hold a promising future

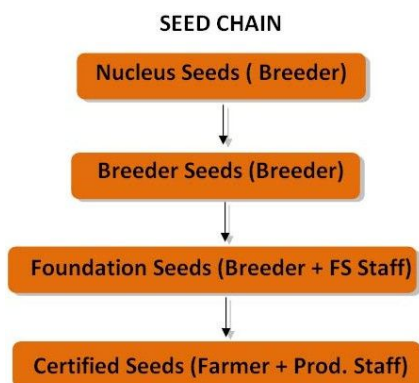
**Production and Processing:**

Stages of Product Development at the R&D facility:

<b>Stage 0</b>	<b>Design stage</b>	- R&D team gets product requirement from sales team, a product blue print is prepared
<b>Stage I</b>	<b>Assembly stage</b>	- R&D team assembles from the germplasm collection, as per the required traits
<b>Stage II</b>	<b>Initial crosses</b>	- R&D team tries several thousand combinations
<b>Stage III</b>	<b>Further shortlisting of hybrids</b>	- R&D team applies selection pressure and closely watches for the desirable traits and promotes a few hybrids to next stage after a thorough analysis of data
<b>Stage IV</b>	<b>Advanced selection</b>	- R&D team invites product evaluation team for joint short-listing of hybrids
<b>Stage V</b>	<b>Multi location trials</b>	- Product evaluation team conducts multi location trials. Short-listing of hybrids by sales team
<b>Stage VI</b>	<b>Multi location</b>	Sales team along with product evaluation team conducts large-scale trials at farmer fields, collect farmer's opinion
		Soft launch/Trial marketing on a small scale in selected areas, segments recognized.
		Release to market
<b>Stage VII</b>	-	Aggressive marketing, building sales volumes
<b>Stage VIII</b>	-	Peak sales stage. Targeted volumes of the hybrid are achieved and retained for the maximum possible period
		At each stage, the new hybrids are tested against standard checks, which are the leading hybrids in the market
		Extensive data is collected at stage and statistically analysed

**Process flow chart of Seed Production:**

The following diagram represents the process of seed production.



We acquire germplasm (breeding material) generally from the following sources:

- International Maize and Wheat Improvement Center (CIMMYT)
- International Crops Research Institute for the Semi-Arid Tropics (ICRISAT)
- Asian Vegetable Research and Development Center (AVRDC)
- International Rice Research Institute (IRRI)
- Private partners/Licensees
- State Agricultural Universities
- Local collections from farmers

**Processing Facilities**

We currently have four (4) seed processing plants agreements for outsourcing of processing of field crop and vegetable seeds activities, of which one is located in Maharashtra and two are located in Gujarat. and one is located in Madhya Pradesh. Following is the details of processing plants:

Date of Agreement	Details of Agreement
August 15, 2022	Agreement with M. K. Agro Care, Plot No. 18, Abhishri Complex, Near Tulshi Hotel, Hajipur, Sabar Dairy, Himmatnagar - 383120, Gujarat.
August 22, 2022	Renewal of Agreement with New Renuka Hybrid Seeds, Plot No. B-16, MIDC, Chikhli, Dist. Buldhana - 443201, Maharashtra.
December 15, 2022	Agreement with S. R. Agri Seeds, Gram Pachalsi, Dist. Ujjain, Indore, Madhya Pradesh.
December 28, 2022	Agreement with Murlidhar Ginning & Processng, Sadatpura Bus Stand, Himmatnagar Highway Road, Idar, Dist. Sabarkantha - 383430, Gujarat.

Each processing plant is operated depending upon the demand in particular season.

The seed processing is done in different stages to get the final seed that is readily available for sale. The following are the stages of Seed processing chain:

- Intake- Storage of Seeds in warehouse.
- Drying – To avoid any negative effects of high moisture, the seed has to be dried as the seed normally contains very high moisture content at the time of Harvesting.
- Pre conditioning – Isolation of seed from plant parts with which it was harvested.
- Pre cleaning – Removal of external materials like trash, stones, clods which are either in larger size or lighter in weight. No pre cleaning is required for hand harvested and winnowed seeds.
- Cleaning & Grading-To obtain a quality seed it is necessary to clean the seed obtained from the farm to get rid of inert material, weed seeds, other crops, other variety of seeds, damaged and deteriorated seed. Different kinds of

seeds can be separated when they differ in one or more physical characteristics. Physical characteristics normally used to separate seeds are size, shape, length, weight, colour, surface texture etc.

- Seed treatment - Seed treatment refers to the application of fungicide, insecticide, or a combination of both, to seeds so as to disinfect and disinfect them from seed-borne or soil-borne pathogenic organisms and storage insects.
- Packaging of seeds - Packaging of seeds in bags or Cartons as per requirement

### Capacity and Capacity Utilisation

We are outsourcing our processing activities and accordingly Capacity and capacity utilisation is not applicable.

### Our Distribution Network / Marketing approach

We understand the ever changing needs and demands of our customers. We have got a motivated sales team who understand changing customer requirements and shifting customer preferences. They give base level feedback to our Company which forms the foundation for devising various promotional schemes and programmes.

Seeds require very careful handling, proper humidity and temperatures should be maintained to ensure viability until it is sown in the field. In the recent past, we have forayed into Northern and Western markets through distributors and dealers. We believe that we must have marketing offices and godowns in these areas whereby this expansion will enable us to increase our market share in these regions particularly in the North. Moreover, we will be in a better position for meeting the requirements on time. During the sowing season our Company's seed inventory is supplied to various distributors situated throughout India and thereon into the dealer channel and onward to the ultimate consumer (i.e., the farmers).

We have a strong marketing and distribution system. Our management has always maintained direct and consistent interaction with distributors across the regions. As on the date of this Draft Prospectus, our Company's distribution network consists of approx.200 distributors.

### Plant and Machinery & Technology

We own following major plant and machinery used in our business :

Sl. No.	Name of Machine	Quantity (Nos)
1.	Sealing Machine	4
2.	Seed treatment Machine	1
3.	Box Packing Machine	2
4.	Seed Grading Machine	2
5.	Loader	1
6.	Seed Drying Machine	1
7.	Sewing Machine	3
8.	Winnower grader and cleaner Machine	1

### Collaborations

We have not entered into any technical or other collaboration.

### Infrastructure Facilities / Utilities

### Raw Material

The major raw material for our business is Foundation Seeds.

The planning for raw material for hybrid seeds is done one to two years in advance based on our own estimates of market demand for the future trend. After conducting GoT and Germination tests, the seeds are processed and packed for sale. The basic material is given to the farmer in the form of foundation seeds and farmer gives back the same upon multiplication as raw seed to us.

Seeds are under our control since the process of developing a seed is monitored and controlled by our staff. The procurement of raw material for Bio-organic Division is normally done on a quarterly basis and is decided based on competitive basis among select vendors.

### Water

The water requirement for our Ningul farm is around 5000 litres per day. Water is sourced mainly from our own bore-wells, which is sufficient. Apart from the above, we require water for sanitation in our office and the same is available from local authorities.

### Power

There is no major power requirement in our business and power is sourced locally from the State Electricity Board.

### Human Resource

As of December 31, 2022, we have 40 full-time employees. We also employ a number of seasonal workers, which varies greatly during the year due to the seasonal nature of our business.

The break-up of our employees as on December 31, 2022 is summarized as under:

Sr. No.	Category	Number of Employees
1.	Research & Development	5
2.	Marketing/Sales & /distribution	25
3.	Production & Processing	5
4.	General Administration	5
<b>Total</b>		<b>40</b>

### Export Possibilities & Export Obligation

Currently, we do not have any outstanding export obligations.

### Intellectual Property

Our Company does not any intellectual property.

### Competition

Much of the Indian seed market is unorganized and fragmented with many small and medium-sized companies. We face substantial competition in the commercial seed market from other seed companies, agrochemical companies and subsidiaries or divisions of large multinational corporations, as well as domestic competitors. We compete with other seed manufacturers on the basis of availability of product, product range, product traits, including disease and pest tolerance and other factors, based on price, reputation, regional needs, customer service and customer convenience. The introduction of biotechnology has resulted in the entry of various agrochemical companies into the seed industry.

We face competition from competitors both domestically and internationally, in relation to specific sectors, segments, sub-segments or geographies. The key factors of competition may include quality, cost, delivery, technical capability etc. However, competition levels vary for each crop. There is no Company that is a leader in all the crops. In addition, the market share keeps changing constantly with advent of new technologies and hybrids. Brand conversions in crops like corn, cotton and sunflower are very high. In present competitive environment, companies which develop effective hybrids and have state of the art research and development infrastructure will be increasingly differentiated from the others in the field.

In the future, we may also face competition from new entrants in the segment. Some of these players may already have robust distribution networks, which could eat into our market share. Some of our competitors may be larger than us, may have greater financial resources than we do, and may be able to deliver products on more attractive terms or to invest larger amounts of capital into their businesses, including expenditure for better and more efficient production capabilities.

## Owned Properties

We do not have any owned property.

## Rented Property

Sr. No	Description of Property	Name of Lessor	Agreement Date, Lease / Sub Lease period	Amount	Purpose
1.	Vedant Apartment, Near Reliance Shoppee, Dindori Road, Panchavati, Nashik – 422 003 Maharashtra, India	Ved Kaushik Sunderdas	Lease Agreement dated May 03, 2021  Built up Area - 1225 sq. ft.  Tenure – 60 months upto March 31, 2026	Rs. 21,000/- p.m. for 1 <sup>st</sup> 12months, Rs. 23,500/- p.m. for next 12months, Rs. 26,300/- p.m. for next 12months, Rs. 29,450/- p.m. for next 12months, Rs. 33,000/- p.m. for next 12months  Rs. 5,00,000/- Security Deposit	Registered Office
2.	203/1, Dr. Prabhu's Lab Building, Dindori Road, Pimpalnare, Nashik - 422004, Maharashtra, India	Prabhu Srikrishnachaitanya Anant	Agreement dated August 05, 2021  Built up Area - 232 sq. mt.  Tenure – 60 months upto August 03, 2026	Rs. 25,000/- p.m. for 1 <sup>st</sup> 12months and to be increased by Rs. 5,000 p.m. from next year every year  Rs. 2,00,000/- Security Deposit	Godown
3.	Nimgul Village, Dondaicha, Maharashtra, India	Mr. Kailas Bhimrao Bagal, Mr. Avinash Bhimrao Bagal and Mrs. Rajashree Avinash Bagal	Letter dated November 01, 2022  Area – 9 acres Land  Tenure – 60 months upto October 31, 2027	Nil	R&D Facility

## Insurance

Our Company maintains insurance against various risks inherent in our business activities, including property damage caused by fire, earthquake, flood, explosion and similar catastrophic events that may result in physical damage to or destruction of our plant and machinery, equipment or stocks as also burglary insurance. Although we consider our insurance coverage to be of a type and level that is economically prudent, we cannot assure you that we will be able to maintain insurance at rate which we consider commercially reasonable or that such coverage will be adequate to cover any claims that may arise. Overall, we generally maintain insurance covering our assets and operations at levels that we believe to be appropriate for our business.

## **KEY INDUSTRIAL REGULATIONS AND POLICIES IN INDIA**

*The following description is a summary of certain sector-specific laws currently in force in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description below may not be exhaustive and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial, or administrative decisions. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain.*

*The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For information on regulatory approvals obtained by us, please refer “Government and Other Approvals” on page 168. We are required to obtain and regularly renew certain licenses / registrations / sanctions / permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts, and policies. Additionally, the projects undertaken by us require, at various stages, the sanction of the concerned authorities under the relevant central and state legislations and local byelaws.*

*Following is an overview of some of the important laws and regulations, which are relevant to our business.*

### **The Seeds Act, 1966**

The overall policy with regard to seed quality maintenance is determined within the legislative framework of the Seeds Act. The term “seed”, as defined by the Seeds Act, refers to seeds of food crops including edible oil seeds and seeds of fruits and vegetables; cotton seeds; seeds of cattle fodder; and includes seedlings, and tubers, bulbs, rhizomes, roots, cuttings, all types of grafts and other vegetatively propagated material, of food crops or cattle fodder and jute seeds. The Seeds Act provides for the constitution of a Central Seeds Committee for the purposes of advising the Central and State Governments on matters arising out of the administration of the Seeds Act.

The Seeds Act provides for notification of certain kinds or varieties of seeds for the purposes of regulating the quality of any kind or variety of seed to be sold for purposes of agriculture. The Seeds Act also provides for minimum limits of germination and purity with respect to any notified kind or variety of seed and the particulars which the mark or label should contain to indicate that such seed conforms to the minimum limits of germination and purity.

The Seeds Act prohibits any person, either by himself or by any other person on his behalf, from carrying on the business of selling, keeping for sale, offering for sale, bartering or otherwise supplying any seed of the notified kind or variety of seeds unless such seed is identifiable as to its kind or variety; conforms to the minimum limits of germination and purity as specified under the Seeds Act; the container of such seed bears the mark or label with the correct particulars; and he/she complies with such other requirements as may be prescribed. Similar restrictions are imposed by the Seeds Act with regards to the import and export of seed of any notified variety.

Furthermore, any person selling, keeping for sale, offering for sale, bartering or otherwise supplying any seed of the notified kind or variety of seeds, may, apply for certification to the Central Seed Certification Board constituted under the Seeds Act. The Seeds Act also appoints a Seed Inspector for the purpose of effective regulation and inspection.

However, vide Government Order dated February 24, 1983, the Central Government declared seeds of food crops and seeds of fruits and vegetables seeds, seeds of cattle folder and jute seeds to be essential commodities for the purposes of the Essential Commodities Act, 1955. Further, vide notification dated November 6, 1994, the Central Government in consultation with the Central Seed Committee, specified the size, contents, colour, label or mark to be affixed on the containers of seeds. On the basis of the aforesaid orders, the Seeds Inspector appointed under the Seeds Act is exercising powers to ensure compliance with the provisions of Seeds Act for seeds of a notified variety as well as those being not of a notified kind or variety including truthfully labeled seeds.

### **The Seeds Rules, 1968**

The Seeds Rules provides for the implementation of the provisions of the Seeds Act. The Seeds Rules defines the term “certified seed” as a seed that fulfills all requirements for certification provided by the Seeds Act and the Seeds Rules and to the container of which the certification tag is attached. Also, the term “certified seed producer” has been defined as a person who grows or distributes certified seed in accordance with the procedure and standards of the certification agency.

The Seeds Rules prescribes that no person shall sell, keep for sale, offer to sell, barter or otherwise supply any seed of any notified kind or variety, after the date recorded on the container, mark or label. This record date shall be the date upto which, the seed may be expected to retain the germination, which shall not be less than the minimum limits of germination, and purity as prescribed under the Seeds Act. Further, no person shall alter, obliterate or deface any mark or label attached to the container of any seed and shall keep a complete record of each lots of seed sold for a period of three years.

The term “processing”, has been defined by the Seeds Rules as cleaning, drying, treating, grading and other operations which would change the purity and germination of the seed and thus requiring re-testing to determine the quality of the seed, but does not include operations such as packaging and labeling. The Seeds Rules also classifies certified seed into foundation seed, registered seed and certified seed and prescribes standards to be met with by each class of certified seed.

### **The Seeds (Control) Order, 1983**

The Seed (Control) Order issued under the Essential Commodities Act, 1955 enumerates the procedure for registration for every person carrying on the business of selling, exporting or importing seeds, including but not limited to, those of a notified kind or variety. It prescribes that every person carrying on the business of selling, exporting or importing seeds at any place shall do so under the terms and conditions of the license granted under this Seeds (Control) Order. Every person desiring to obtain a license for selling, exporting or importing of seeds shall make an application in duplicate in the prescribed form together with a fee of Rs.50/- to the licensing authority. The Seeds (Control) Order empowers the Central Government to appoint a Controller of Seeds to regulate the sale and distribution of seeds. The Controller has the power to direct a producer or dealer to sell or distribute any seed in such manner as specified if the Controller is of the opinion that such a direction is necessary with regard to public interest. Further, the Seeds (Control) Order also appoints an Inspector for securing compliance with this Seeds (Control) Order.

### **National Seeds Policy, 2002**

The Seeds Act, Seeds Rules, Seeds Control Order and the New Policy on Seeds Development, 1988, formed the basis of promotion and regulation of the seed industry.

The National Seeds Policy, 2002 replaced the New Policy on Seeds Development, 1988. The National Seeds Policy, 2002 lays down the foundation for comprehensive reforms in the seed sector. Significant changes in the existing legislative framework will be effected accompanied by programmatic interventions. While unnecessary regulation needs to be dismantled, it must be ensured that gullible farmers are not exploited by unscrupulous elements. A regulatory system of a new genre is, therefore, needed, which will encompass quality assurance mechanisms coupled with facilitation of a vibrant and responsible seed industry. The Policy also provides the parameters for the development of the seed sector in the tenth and subsequent Five Year Plans. The progress of implementation of the Policy will be monitored by a High Level Review Committee.

Key measures resulting from the policy include implementation of an effective sui generis system for intellectual property protection to stimulate investment in research and development of new plant varieties; establishment of a Plant Varieties and Farmers' Rights Protection Authority to undertake registration of extant and new plant varieties through the Plant Variety Registry on the basis of varietal characteristic and consideration of tax rebate/concessions on the expenditure incurred on in- house research and development of new varieties and other seed related research aspects. Further, in order to develop a competitive seed market, the states will be encouraged to remove unnecessary local taxation on sales of seeds.

The National Seeds Policy, 2002 facilitates access by private seed production agencies to breeder seed. It provides for the establishment of a National Seeds Board as an apex body in the seeds sector to replace the existing Central Seed Committee and Central Seed Certification Board; mandatory registration of all varieties of seed, both domestic and imported, and planting materials. It made a recommendation that import of transgenic planting material should be allowed only with the approval of the Genetic Engineering Approval Committee. All genetically engineered crops/varieties will be tested for environment and bio-safety before their commercial release, as per the regulations and guidelines of the Environment Protection Act. The policy also calls for the implementation of a gene fund for the benefit sharing arrangement, and payment of compensation to village communities for their contribution to the development and conservation of plant genetic resources and also to promote conservation and sustainable use of genetic resources. The policy also recommends standards for import and export of seeds.

The National Seeds Policy aims at attaining the objectives of doubling food production and making India hunger free. It is expected to revolutionize Indian agriculture by supplying seeds of the best quality to the cultivator.

**Seeds Bill, 2004**

The seeds sector has witnessed many changes since 1966 when the Seeds Act was passed to address the changes in the seed industry such as new technologies, genetically modified seeds, and the entry of private and foreign seeds companies. The proposed Seeds Bill seeks to replace the existing Seeds Act and bring about changes including regulation and registration of all seeds to be sold (instead of only notified kinds), provisions for self-certification and accreditation of private seed testing laboratories, and regulation of transgenic seeds. The Seeds Bill aims to regulate the quality of seeds for sale, import and export and to facilitate production and supply of quality seeds.

Under the Seeds Bill, all registered seeds need to meet minimum standards with respect to the proportion of germination, levels of genetic and physical purity, and the permitted proportion of diseased seeds. Further, no transgenic variety of seed would be registered unless the applicant has obtained clearance under the provisions of the Environment Protection Act. A variety of seeds containing any technology considered harmful or potentially harmful shall not be registered.

Every seed producer, dealer, and horticulture nursery has to be registered with the State Government. Seed producers need to meet specifications regarding infrastructure, equipment and qualified manpower. The Seeds Bill protects the right of a farmer to save, use, exchange, share or sell his farm seeds and planting material. However, the farmer cannot sell seeds or planting material under a brand name. Also, all seeds sold by farmers need to conform to the minimum standards regarding germination, physical purity and genetic purity applicable to registered seeds.

For all registered varieties, seed producers, distributors and vendors have to disclose the expected performance under certain given conditions. If the seed fails to perform to expected standards, the farmer can claim compensation from the dealer, distributor or vendor under the Consumer Protection Act, 1986.

**Maharashtra Seeds Regulation Bill, 2004**

The Maharashtra Government had entered into an MoU in 2002 with the seed producers, which was aimed to protect the interest of farmers and provide a mechanism of compensation, whenever a farmer suffers a loss because of substandard quality of seeds. In place of this MoU, the Maharashtra Government has proposed the Maharashtra Seeds Regulation Bill, 2004. The Maharashtra Seeds Regulation Bill, 2004 aims to provide for regulating the quality of seeds for sale, import and export and to facilitate production and supply of quality seeds to the farmers.

The MH Seeds Bill constitutes an Maharashtra Seeds Board for the purpose of regulation of this Bill and District Level Seed Committees for advising the Maharashtra Seeds Board on various matters pertaining to the subject matter and administration of this Bill. The Maharashtra Seeds Board may, by notification, specify the minimum limits of germination, genetic and physical purity, and seed health with respect to any seed of any kind or variety; the mark or label to indicate that such seed conforms to the minimum limits of germination, genetic and physical purity, and seed health specified above, and expected performance of the seed in given conditions and other particulars as may be prescribed with regard to marks or labels.

The MH Seeds Bill provides that no person shall sell seed of any kind or variety of agriculture crop, for the purpose of sowing or planting unless such seed is registered by the Registration Committee. Also, any kind or variety that has been notified under the Seeds Act shall be deemed to be registered under the MH Seeds Bill.

It is further provided by the MH Seeds Bill that no person shall himself, or by any other person on his behalf, carry on the business of selling, keeping for sale, offering to sell, bartering, import or export or otherwise supply any seed of any registered kind or variety, unless such seed is identifiable as to its kind or variety; conforms to the minimum limit of germination, genetic and physical purity and seed health as specified; the container of such seed shall bear the mark or label bearing the correct particulars thereof, as specified; and complies with such other requirements as may be prescribed by the MH Seeds Bill.

The producer, distributor or vendor of seeds of the registered kind or variety of seed is required to disclose the expected performance of such seed under given conditions to the farmer under the MH Seeds Bill, and if the said seed fails to provide the expected performance under such given conditions, the farmer may claim compensation in such manner as may be prescribed.

All seed producers and seed processing units shall be registered with the State Seed Certification Agency on meeting prescribed specifications and shall furnish periodic returns on the quantity of seeds of different kinds or varieties produced



and processed by them to the Government and Seed Certification Agency respectively.

## **Fertilizer Industry**

### **The Fertiliser (Control) Order, 1985**

The Fertiliser (Control) Order issued under the Essential Commodities Act, 1955 defines the term fertilizer as any substance used or intended to be used as a fertiliser of the soil and/or crop and specified in the Fertiliser (Control) Order and also includes a mixture of fertiliser and special mixture of fertilisers.

The Central Government may, with a view to regulating equitable distribution of fertilisers and making fertilisers available at fair prices, fix the maximum prices or rates at which any fertiliser may be sold by a dealer, manufacturer, importer or a pool handling agency. The Central Government may, with a view to securing equitable distribution and availability of fertilisers to the farmers in time direct any manufacturer/importer to sell the fertilisers produced by him in such quantities and in such State or States and within such period as may be specified in the said notification. No person shall, except with the prior permission of the Central Government and subject to such terms and conditions as may be imposed by such Government, sell or use fertiliser(s), for purposes other than fertilisation of the soil and increasing productivity of crops.

No person shall, by himself or by any other person in his behalf manufacture/import for sale, sell, offer for sale, stock or exhibit for sale or distribute any fertiliser or mixture of fertilizers which is not of the standard as prescribed under this Fertiliser (Control) Order. Also, no person shall sell, offer for sale, stock or exhibit for sale or distribute any fertilizer, the container whereof is not packed and marked in the manner laid down in this Fertiliser (Control) Order. Further, no person shall sell any fertiliser which is an imitation of or a substitute for another fertiliser under the name of which it is sold; or is adulterated; or the label or container whereof bears the name of any individual firm or company purporting to be the manufacturer/importer of the fertiliser, which individual, firm or company is fictitious or does not exist; or the label or container whereof or anything accompanying therewith bears any statement which makes a claim which is false or misleading; or sells a substance as a fertiliser which substance is not a fertiliser; or sells it without exhibiting the minimum guaranteed percentage by weight of plant nutrient.

The Fertiliser (Control) Order further prescribes certain requirements with regard to packing and making as well as compliance by manufacturers with the prescribed requirements for laboratory facilities.

## **Phytosanitary Regulations**

### **The Insecticides Act, 1968 & the Insecticides (Amendment) Act, 2000**

The Insecticides Act aims at regulating the import, manufacture, sale, transport, distribution and use of insecticides with a view to prevent risks to human beings or animals, and for matters connected therewith. The Insecticides Act defines “insecticides” as any substance specified in the schedule to the Insecticides Act; or such other substance (including fungicides and insecticides) as the Central Government may, after consultation with the Central Insecticides Board, by notification in the Official Gazette, include in the schedule to the Insecticides Act from time to time; or any preparation containing any one or more of such substances. Any person desiring to import or manufacture any insecticide is required to apply to the Registration Committee for the registration of such insecticide and there shall be a separate application for each such insecticide. No person shall himself, or by any person on his behalf, import or manufacture any misbranded insecticide, any insecticide which for the time being has been prohibited under the Insecticides Act, any insecticide in contravention with the condition on which it was registered or in contravention of any other provision of this Act.

As per the Insecticides Act, the insecticides, which are manufactured need to be packaged, labelled, transported and stored according to the procedure enumerated under the Act.

The Insecticides Act empowers the Central Government to constitute a Central Insecticides Board to advise the Central Government and State Governments on technical matters arising out of the administration of the Insecticides Act and to carry out other functions assigned to the Board by or under this Act.

### **The Destructive Insects and Pests Act, 1914**

The Destructive Insects and Pests Act aims at preventing the introduction and transport of any insects, fungus or other pests which could be destructive to crops, from one state to another within India. It further provides that the Central Government may prohibit or regulate the import into India, or any part thereof, or any specified place therein, of any articles or class of articles likely to cause infection to any crop. The Central Government may also prohibit or regulate the export from a state or the transport from one state to another state in India of any article, class of articles or insects likely to cause infection to

any crop.

## **Grading and Marking Regulations**

### **Agricultural Produce (Grading and Marking) Act, 1937**

The Agricultural Produce (Grading and Marking) Act provides for the grading and marking of agricultural and other produce. The Directorate of Marketing & Inspection under the Department of Rural Development in the Ministry of Agriculture is vested with the responsibility to enforce and implement the Agricultural Produce (Grading and Marking) Act.

Under the Agricultural Produce (Grading and Marking) Act, “agricultural produce” includes all produce of agriculture or horticulture and all articles of food or drink wholly or partly manufactured from any such produce, and fleeces and the skins of animals.

The Agricultural Produce (Grading and Marking) Act prescribes inter alia for grade designations to indicate the quality on any article included in the schedule to the Agricultural Produce (Grading and Marking) Act, for defining the quality indicated by such grade designations, and specify grade designation marks to represent particular grade designations

Where the Central Government is of the opinion that it is necessary in the public interest or for the protection of consumers that any scheduled article or class of articles shall not be sold or distributed except after such article or class of articles is marked with the grade designation mark, it may, by notification in the Official Gazette, make declaration to that effect.

### **General Grading and Marking Rules, 1988**

The General Grading and Marking Rules were notified, as per Section 3 of the Agricultural Produce (Grading and Marking) Act, wherein the detailed procedures of licensing, setting up of laboratories, consumer protection measures etc. have been given.

The General Grading and Marking Rules applies to all articles of agricultural and other produce included in the Schedule to the Agricultural Produce (Grading and Marking) Act. An article graded in accordance with the provisions of the Agricultural Produce (Grading and Marking) Act, shall be packed in the manner and using the type of packaging material and the pack sizes, by weight or number as prescribed for the said article.

Wherever a graded produce is found not to be conforming to the definition of the quality prescribed for the grade designation marks on the produce and the grade designation marks are cancelled or removed from such produce belonging to the distributors and not to authorised packers, the latter shall, when so directed by the Agricultural Marketing Adviser, make good to the former any loss sustained as a result of the removal of grade designation mark, the loss being estimated on the basis of the additional value that the properly graded produce would have obtained in the market over and above the current market value of the corresponding quantity of the unguarded produce.

## **Intellectual Property Rights**

### **The Protection of Plant Varieties and Farmers’ Rights Act, 2001**

The Protection of Plant Varieties and Farmers’ Rights Act provides for the establishment of an effective system for protection of plant varieties, the rights of farmers and plant breeders and encourages the development of new varieties of plants.

The Protection of Plant Varieties and Farmers’ Rights Act aims at accelerated agricultural development in India, and recognizes the necessity to protect plant breeders’ rights so as to stimulate investment for research and development, both in the public and private sector, for the development of new plant varieties and further growth of the seed industry, which will ensure the availability of high quality seeds and planting material to the farmers.

The term “extant variety” has been defined to mean a variety available in India, which is notified under the Seeds Act; or a farmer’s; variety; or a variety about which there is common knowledge; or any other variety, which is in the public domain.

Registration of a plant variety is on the basis of conformance with the criteria of novelty, distinctiveness, uniformity and stability. An application for registration shall be made by any person claiming to be the breeder of the variety; or any

successor of the breeder of the variety; or any person being the assignee of the breeder of the variety in respect of the rights to make such application; or any farmers or group of farmers or community of farmers claiming to be the breeder of the variety; or any person authorized in the prescribed manner by a person to make application on his behalf; or any university or publicly funded agricultural institution claiming to be the breeder of the variety.

Where any propagating material of a variety registered under this Act has been sold to a farmer or a group of farmers of any organization of farmers, the breeder of such variety shall disclose to the farmer or the group of farmers or the organization of farmers, as the case may be, the expected performance under given conditions, and if such propagating material fails to provide such performance under such given conditions, the farmer or the group of farmers or the organization of farmers, as the case may be, may claim compensation in the prescribed manner before the Protection of Plant Varieties and Farmers' Rights Authority after giving due notice to the breeder of the variety

Breeder's rights extend to production, selling, marketing distribution, export and import of seeds and/or propagating material of the protected variety. If the breeders' variety is essentially derived from a farmers' variety, the breeder needs to obtain the consent of the farmers or communities from whose varieties the protected variety is derived.

Researchers shall have the right to use any variety registered under this Act for conducting experiments or research; or as an initial source of variety for the purpose of creating other varieties. However, the authorization of the breeder of a registered variety is required where the repeated use of such variety as a parental line is necessary for the commercial production of such other newly developed variety.

The Protection of Plant Varieties and Farmers' Rights Regulations, 2006 and the Protection of Plant Varieties and Farmers' Rights Rules, 2003

The Protection of Plant Varieties and Farmers' Rights Regulations and the Protection of Plant Varieties and Farmers' Rights Rules were passed pursuant to the powers conferred by sub-section (1) of section 95 of the Protection of Plant Varieties and Farmers' Rights Act.

These two legislations provide the procedural law for the implementation of the substantive law provided by the Protection of Plant Varieties and Farmers' Rights Act.

### **The Patents Act, 1970**

The Patents Act, which allowed only process patents and not product patents, provided shorter protection periods and excluded agriculture and other areas from its scope of patentability. However, the Patents Act was amended vide the Patents (Amendment) Ordinance, 2004 and the Patents (Amendment) Act, 2005 in order to comply with the TRIPS Agreement. These amendments introduced the concept of product patents with a protection period of twenty years. Through these amendments, product patents as well as process patents are now permitted, and are now extended to agro-chemicals, food, and biotechnology products including genetically modified organisms, apart from drugs and pharmaceuticals.

### **Others**

#### **The Biological Diversity Act, 2002 and the Biological Diversity Rules, 2003**

Since, India is a signatory to the United Nations' Convention on Biological Diversity; the Biological Diversity Act was passed in the year 2003. The Biological Diversity Act provides for conservation of biological diversity, sustainable use of its components and fair and equitable sharing of the benefits arising out of the use of biological resources, knowledge and for matters connected therewith or incidental thereto.

Biological resources means plants, animals and micro-organisms or parts thereof, their genetic material and by-products (excluding value added products) with actual or potential use or value, but does not include human genetic material.

Persons who are not citizens of India; citizens of India, who are non-residents as defined under the Income-tax Act and body corporates, associations or organizations which are not incorporated or registered in India; or incorporated or registered in India under any law for the time being in force which has any non-Indian participation in its share capital or management, are required to take permission of the National Biological Diversity Authority before obtaining any biological resource occurring in India and for transferring the results of any research relating to any biological resources occurring in, or obtained from, India for monetary consideration or otherwise

The aforesaid provisions shall not apply to collaborative research projects involving transfer or exchange of biological

resources or information relating thereto between institutions, including Government sponsored institutions of India, and such institutions in other countries, if such collaborative research projects satisfy the conditions specified the Biological Diversity Act. However, all collaborative research projects, other than those referred to above, which are based on agreements concluded before the commencement of this Act and in force shall, in the case of any inconsistency with the provisions of the Biological Diversity Act or any guidelines issued under the said Biological Diversity Act, be void.

Furthermore, the permission of the National Biological Diversity Authority would be required prior to the granting of intellectual property rights in any invention, in the event that research or information on a biological resource from India has been used for development of such intellectual property. It provides for imposition of charges by way of royalty subject to certain terms and conditions as specified by the Biological Diversity Act.

The Biological Diversity Rules were framed pursuant to section 62 of the Biological Diversity Act and provides the procedural aspects of implementing the substantive provisions enumerated in the Biological Diversity Act. However, as on 2003, only sections 1, 2, 8 to 17, 48, 54, 59, 62 to 65 of the Biological Diversity Act have come into force.

## **LABOUR LAWS**

Depending upon the nature of the activities undertaken by our Company, certain applicable labour laws and regulations include the following:

### ***Child Labour (Prohibition and Regulation) Act, 1986***

The Child Labour (Prohibition and Regulation) Act, 1986, (“**CLPRA Act**”) provides for prohibiting engagement of children below 14 years in factories, mines and hazardous employments and regulates the conditions of their employment in certain other employments. The CLPRA Act aims to regulate the number of hours, period of work and holidays to be given to child labourers. It specifies that the employer has to mandatorily furnish certain information regarding employment of child labour to the inspector and maintain a register which would contain details regarding the child labourers. The CLPRA Act also provides for health and safety measures to be complied with by the employer.

### ***Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979 (“ISMW Act”)***

The ISMW Act regulates the employment of inter-state migrant workmen and provides for their conditions of services and for matter connected therewith. Under the provisions of the ISMW Act, every principal employer of an establishment which employs five or more inter-state migrant workmen (whether or not in addition to other workmen) on any day of the preceding 12 months has to register his establishment under ISMW Act. The ISMW Act also requires the principal employers and contractors to maintain registers with such details of the migrant workmen as may be prescribed. Any violation of the provisions of the ISMW Act and Rules prescribed thereunder is imprisonment which may extend to two years or with fine which may extend to ₹ 2,000 or with both.

### ***Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013***

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“**SHWPPR Act**”) aims to provide women protection against sexual harassment at the workplace and prevention and redressal of complaints of sexual harassment. The SHWPPR Act defines ‘sexual harassment’ to include any unwelcome acts or a sexually determined behaviour (inter alia whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organisations, non-governmental organisations, organisations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an ‘internal complaints committee’ at each office or branch, of an organization employing at least 10 employees. Factors like mental trauma, medical expenses, loss in the career opportunity and income shall be considered while determining compensation. The duties of the employer and the district officer are provided in the SHWPPR Act.

### ***The Maternity Benefit Act, 1961***

The Maternity Benefit Act, 1961, as amended (“**Maternity Benefit Act**”) on 1<sup>st</sup> April 2017 regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. However, the relevant provision on the “work from home” option will come into effect from 1<sup>st</sup> July 2017. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed, or were employed on any day of the preceding 12 months. The maximum period for which any woman shall be entitled to maternity benefit shall be 26 weeks, of which not more than Eight weeks shall precede the date of her expected delivery. For women who are expecting after having 2

children, the duration of paid maternity leave shall be 12 weeks (i.e., 6 weeks pre and 6 weeks post expected date of delivery). It also provides that every woman who adopts a child shall be entitled to 12 weeks of maternity leave, from the date of adoption. The MB Amendment Act has also introduced an enabling provision relating to “work from home” for women, which may be exercised after the expiry of the 26 weeks’ leave period depending on nature of work. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy. The MB Amendment Act makes crèche facility mandatory for every establishment employing 50 or more employees. Women employees would be permitted to visit the crèche 4 times during the day.

#### ***The Minimum Wages Act, 1948***

Under the Minimum Wages Act, 1948 (“**Minimum Wages Act**”) every employer is mandated to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the Minimum Wages Act, in respect of which minimum rates of wages have been fixed or revised under the Minimum Wages Act.

#### **Other Laws and Regulations**

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, and other applicable statutes imposed by the Centre or the State for its day-to-day operations. Our Company is also amenable to various central and state tax laws.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief History of our Company

Our Company was incorporated as Nirman Agri Genetics Private Limited on August 19, 2020 under the Companies Act, 2013 with the Registrar of Companies, Mumbai bearing Registration number 344089. The status of the Company was changed to public limited and the name of our Company was changed to Nirman Agri Genetics Limited vide Special Resolution passed at EGM dated December 05, 2022. The fresh certificate of incorporation consequent to conversion was issued on January 03, 2023 by the Registrar of Companies, Mumbai.

Our corporate identification number is U01110MH2020PLC344089.

The Promoter of our Company is Pranav Kailas Bagal.

### Names of signatories to the Memorandum of Association of the Company and the number of Equity Shares subscribed by them:

The names of the signatories of the Memorandum of Association of the Company and the number of Equity Shares subscribed for by them at the time of signing of the Memorandum of Association: 5,100 Equity Shares by Pranav Kailas Bagal, 2,450 Equity Shares by Chhotu Singh Girase and 2,450 Equity Shares by Jaiprakash Kailashchandra Lahoti.

### Changes in our Registered Office:

Date of Change	Changed From	Change to	Reason for change
September 20, 2022	Shop No. T-7, Nanaji Shete Business Center, Nashik – 422 005 Maharashtra, India	Vedant Apartment, Near Reliance Shopee, Dindori Road, Panchavati, Nashik – 422 003 Maharashtra, India	Administrative Reasons

### Major Events and Milestones

The table below sets forth some of the key events in the history of our Company (including that of Proprietary Concern):

Financial Year	Event
2018	Commencement of Seeds business in Proprietary Concern
2019	Agreement with New Renuka Hybrid Seeds, Buldhana, for outsourcing of processing of field crop and vegetable crop
2019	Set up R & D facility at Nimgul, Maharashtra
2019	Co-marketing agreement with Narmada Sagar Agri Seeds Pvt. Ltd., Himatnagar, Gujarat for marketing of Cotton Seeds for a period of 3 years
2020	Co-marketing agreement with Dhanashri Agro Industries, Pune, Maharashtra for marketing of Maize and Bajra seeds for a period upto validity of Seeds License of the producer
2020	Marketing agreement with Navkar Hybrid Seeds Pvt. Ltd., Ahmedabad, Gujarat for marketing of Cotton Seeds for a period of 3 years
2020	Incorporation of our Company
2021	Started sale of Seeds
2022	Started sale of Bio fertilisers and Micro nutrients
2022	Agreement with M. K. Agro Care, Himmatnagar, Gujarat for outsourcing of processing of field crop and vegetable crop
2022	Renewal of Agreement with New Renuka Hybrid Seeds, Buldhana, for outsourcing of processing of field crop and vegetable crop
2022	Acquisition of M/s. Nirman Agri Genetics, Proprietary Concern
2022	Agreement with Murlidhar Ginning & Processing, Idar, Gujarat for outsourcing of processing of field crop and vegetable crop
2022	Agreement with S. R. Agri Seeds, Indore, Madhya Pradesh for outsourcing of processing of field crop and vegetable crop
2023	Conversion of Company to Limited Company

**Significant financial and strategic partners**

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

**Time and cost overrun**

Our Company has not experienced any significant time and cost overrun since we are in trading business.

**Launch of Key Products or services**

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, facility creation, location of our facilities, see “Our Business” beginning on page 87.

**Defaults or rescheduling of borrowings with financial institutions/ banks and conversion of loans into equity**

There have been no defaults or rescheduling of borrowings with financial institutions in respect of our current borrowings from lenders.

**Material Acquisitions or Divestments of Business/Undertakings, Mergers, Amalgamations or Revaluation of Assets, in the last ten years**

Our Company has acquired M/s. Nirman Agri Genetics, Proprietary Concern of our Promoter, Pranav Kailash Bagal for a consideration of Rs. 1,10,00,000 as per the valuation certificate dated October 31, 2022 issued by CS Abhishek Chhajed, Registered Valuer, Regn. No. IBBI/RV/03/2020/13674.

Details of the Assets and Liabilities as on October 31, 2022 of Proprietary concern taken over by our Company :

Particulars	Amount (Rs.)
<b>Assets acquired</b>	
Fixed Asset	36,05,001
Investments	1,74,780
Stock in Trade	54,79,462
Loans & Advances	1,59,732
Sundry Debtors	92,01,831
Cash in Had	11,29,377
Bank Balance	9,44,252
<b>Total - A</b>	<b>2,06,94,435</b>
Vehicle Loan and Overdraft Facility	9,75,901
Sundry Creditors	64,69,610
Advance from customer	5,01,424
Security Deposit	15,41,000
Sundry Creditors for Expenses	2,06,500
<b>Total – B</b>	<b>96,94,435</b>
<b>Net Assets Acquired (A-B)</b>	<b>1,10,00,000</b>

None of the above Assets and Liabilities are revalued and the same is acquired at the Book value as it was appearing in the books of Proprietary Concern. Our Company has issued 11,00,000 Equity Shares on December 02, 2022 to Mr. Pranav Kailas Bagal, Proprietor of Proprietary concern and promoter of our Company, as a consideration for the above acquisition.

Other than above, our Company has not undertaken any material acquisitions or divestments of business/undertakings, mergers, amalgamations, or revaluation of assets in the last ten years.

**Main Objects of our Company:**

The objects of our Company, as contained in our e-Memorandum of Association (SPICe+MOA), are as set forth below:

Clause 3. (a) The objects to be pursued by the Company on its incorporation are :

1. To acquire, promote, establish and carry on business of manufacturing and processing of de-fated groundnut, groundnut seed high protein Sowing Seeds, Agricultural Seeds, Crop seeds, fertilizers, manures, plant or animal foods, pesticides, insecticides, fungicides and all types of chemicals used in apiculture, pisciculture, sericulture, horticulture, poultry farming, soyabean meal, high proteins food, soya floor, soya milk, textured proteins, proteins-concentrates, protein isolates, lecithin, glycerin, emulsifiers, oils, oil cakes, de-oiled cakes, deodorised oils, vanaspati ghee, substitutes refined, oil hydrogenated oils (vanaspati), margarine, peanut butter, peanut milk, refined oil from or out of cotton seeds, castor, linseeds, sunflower, soya bean, rice bran, rice hullar, groundnut and other types of edible and non-edible essential and non-essential oil-seeds and vegetable seeds of all types by any type of processing viz., ordinary crushing solvent extraction, chemical or any other process and to utilise the oil & cakes and produced therefrom.

**Other relevant Objects permitting the acquisition of M/s. Nirman Agri Genetics, Proprietary Concern of our Promoter, Pranav Kailas Bagal**

Clause 3. (b) Matters which are necessary for furtherance of the Objects specified in clause 3. (a) are :

2. To acquire and take over the whole or part of the business, property goodwill and liabilities of any person, firm or Company carrying on or about to carry on business which this Company is authorised or proposed to carry on or any property including agricultural land or rights for the attainment of main object.

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently being carried out as well as to carry on the activities for which the funds are being raised in the Issue.

#### **Amendments to the Memorandum of Association**

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

<b>Particulars of Change</b>	<b>Date of Shareholders' Meeting</b>	<b>AGM/ EGM</b>
Increase in Authorised capital from ₹1,00,000 consisting of 10,000 Equity shares of ₹10.00 each to ₹7,00,00,000 consisting of 70,00,000 Equity shares of ₹10.00 each.	October 10, 2022	EGM
Change in name from Nirman Agri Genetics Private Limited to 'Nirman Agri Genetics Limited' pursuant to converted to limited Company	December 05, 2022	EGM

#### **Changes in the Management**

Pranav Kailas Bagal has been our Promoter and major shareholder since Incorporation and there has been no change in the management of our Company. Pranav was holding 51% shareholding at the time of Incorporation and later in 2022, he acquired 100% ownership by purchasing the equity from other shareholders.

#### **Defaults or rescheduling of borrowings from financial institutions/ banks and conversion of loans into equity**

No defaults have been called by any financial institution or bank in relation to borrowings from financial institutions or banks. For details of our financing arrangements, please refer “*Financial Indebtedness*” on page 163. Further, except as stated in the section “*Capital Structure*” beginning on page 49, none of our loans have been rescheduled or been converted into Equity Shares.

#### **Lock outs and strikes**

There have been no lock outs or strikes at any of the units of our Company.

#### **Time and cost overruns**

Our Company has not implemented any projects and has not, therefore, experienced any time or cost overrun in relation thereto.



### **Details regarding acquisition of business/undertakings, mergers, amalgamations, and revaluation of assets**

Our Company has not acquired any business or undertaking, and has not undertaken any merger, amalgamation, or revaluation of assets.

### **Holding Company of our Company**

As of the date of the Draft Prospectus, our Company does not have any holding Company.

### **Subsidiary of our Company**

As of the date of the Draft Prospectus, our Company does not have a subsidiary company.

### **Collaboration Agreements**

As on the date of the Draft Prospectus, our Company is not a party to any collaboration agreements.

### **Shareholders' Agreements**

As on the date of the Draft Prospectus, our Company has not entered into any shareholders' agreements.

### **Material Agreements**

We have not entered into any material contract, not being a contract entered into in the ordinary course of business carried on or intended to be carried on by us or contract entered into more than two years before the filing of the Draft Prospectus.

### **Number of Shareholders**

Our Company has 7 (Seven) shareholders on date of the Draft Prospectus.

## OUR MANAGEMENT

### Board of Directors

Under our Articles of Association, we are required to have not less than three directors and not more than 15 Directors. As on the date of this Draft Prospectus, we have 5 Directors on our Board.

Set forth below are details regarding our Board as on the date of this Draft Prospectus:

Name, Designation, Address, Date of Birth, Age, Occupation, Term, Period of Directorship and DIN	Other Directorships
<p><b>Pranav Kailas Bagal</b></p> <p><i>Designation: Managing Director</i></p> <p><i>Address:</i> 01, Niram House, Saraswati Nagar, Opp. Seva Auto, Old Agra Road, Nashik-422 003, Maharashtra, India</p> <p><i>Date of Birth:</i> December 19, 2000</p> <p><i>Age:</i> 22 years</p> <p><i>Occupation:</i> Business</p> <p><i>Term:</i> Appointed as Managing Director w.e.f. November 01, 2022 for a period of Five years i.e. till October 31, 2027 vide EGM resolution dated October 10, 2022.</p> <p><i>Period of Directorship:</i> Director since August 19, 2020</p> <p><i>Nationality :</i> Indian</p> <p><i>DIN:</i> 08839908</p>	<p>Companies</p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p>LLPs</p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>
<p><b>Avinash Bhimrao Bagal</b></p> <p><i>Designation: Non-Executive Non-Independent Director</i></p> <p><i>Address:</i> At post Nimgul, Taluka Sindhkheda, District Dhule – 425408, Maharashtra, India</p> <p><i>Date of Birth:</i> June 01, 1975</p> <p><i>Age:</i> 47 years</p> <p><i>Occupation:</i> Business</p> <p><i>Term:</i> Appointed as Non-Executive Director for a period of Five years upto November 30, 2027 vide EGM resolution dated January 06, 2023.</p> <p><i>Period of Directorship:</i> Director since November 30, 2022</p> <p><i>Nationality :</i> Indian</p> <p><i>DIN:</i> 09807701</p>	<p>Companies</p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p>LLPs</p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>
<p><b>Prakash Narayandas Sawana</b></p> <p><i>Designation: Non-Executive and Independent Director</i></p>	<p>Companies</p> <ul style="list-style-type: none"> <li>• MV Legal Services Private Limited</li> </ul>

<p><i>Address:</i> Flat No. B-16, Jayesh Park, Kamatwada Road, Near Matala Mangal Karyalay Kamatwada, Trimurti Chowk, Nashik - 422008, Maharashtra, India</p> <p><i>Date of Birth:</i> November 24, 1971</p> <p><i>Age:</i> 51 years</p> <p><i>Occupation:</i> Profession</p> <p><i>Term:</i> Appointed as Non-Executive Independent Director for a period of Five years w.e.f. October 10, 2022 to October 09, 2027 and is not liable to retire by rotation</p> <p><i>Period of Directorship:</i> Director since October 10, 2022</p> <p><i>Nationality:</i> Indian</p> <p><i>DIN:</i> 07260370</p>	<p>LLPs</p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>
<p><b>Abhishek Shivnarayan Gupta</b></p> <p><i>Designation:</i> Non-Executive and Independent Director</p> <p><i>Address:</i> Near RTO Office, Vidya Bhavan RTO Corner, Makhamalabad, Flat No. 4/5, Nashik – 422003, Maharashtra, India</p> <p><i>Date of Birth:</i> December 10, 1999</p> <p><i>Age:</i> 23 years</p> <p><i>Occupation:</i> Self Employed</p> <p><i>Term:</i> Appointed as Non-Executive Independent Director for a period of Five years w.e.f. December 07, 2022 to December 07, 2027 and is not liable to retire by rotation</p> <p><i>Period of Directorship:</i> Director since December 07, 2022</p> <p><i>Nationality:</i> Indian</p> <p><i>DIN:</i> 09815590</p>	<p>Companies</p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p>LLPs</p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>
<p><b>Riddhi Nitin Aher</b></p> <p><i>Designation:</i> Non-Executive and Independent Director</p> <p><i>Address:</i> New Adgaon, Flat No. 01, Guumauli Residency, Sant Janardhan Swami Nagar, Panchvati, Nashik – 422003, Maharashtra, India</p> <p><i>Date of Birth:</i> November 21, 2000</p> <p><i>Age:</i> 22 years</p> <p><i>Occupation:</i> Self Employed</p> <p><i>Term:</i> Appointed as Non-Executive Independent Director for a period of Five years w.e.f. December 07, 2022 to December 07, 2027 and is not liable to retire by rotation</p>	<p>Companies</p> <ul style="list-style-type: none"> <li>• CP Presto India Private Limited</li> </ul> <p>LLPs</p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>

<p><i>Period of Directorship:</i> Director since December 07, 2022</p> <p><i>Nationality:</i> Indian</p> <p><i>DIN:</i> 09815607</p>	
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### Relationship between our Directors

- Avinash Bhimrao Bagal is uncle of Pranav Kailas Bagal.

Other than above none of the directors are related to each other.

### Brief Profile of our Directors

**Pranav Kailas Bagal**, aged 22 years is the Promoter & Managing Director of Our Company. He has completed Diploma in Agriculture from National Backward Krushi Vidhyapeeth, Solapur, Maharashtra. He has around six years of experience in the field of Marketing of Agriculture inputs, managing customer relations and trade terms, managing manufacturing and supply chain strategies, managing costs and establish strategic partnerships with farmers, vendors and service providers etc. He has been associated with our Company as Director since August 2020 and has been elevated to Managing Director's position in October 2022. Prior to starting our Company, he has done Agri-inputs business in Proprietary concern M/s. Nirman Agri Genetics from 2018 till the time same is taken over by our Company and before that he has worked as Marketing Manager with Shivam Krushi Sheti Udhog Kendra engaged in whole sale and retail distribution of seeds, pesticides, fertilisers and agriculture related equipments. He is currently responsible for managing marketing and business development functions of the Company.

**Avinash Bhimrao Bagal**, aged 47 years is the Non-Executive Director of Our Company. He is an under graduate. He has around 25 years of experience in the field of Agriculture. He has run his own proprietorship by the name of M/s. Shivam Krushi Sheti Udhog Kendra engaged in whole sale and retail distribution of seeds, pesticides, fertilisers and agriculture related equipments since 1997 creating a reliable name amongst farmers. He has been associated with our Company as Director since November 2022. He is assisting our Company in creating a trusted names amongst farmers and suppliers.

**Prakash Narayandas Sawana**, aged 51 years is the Independent Director of Our Company. He is a Law graduate from Nagpur University. He has around 25 years of experience of handling legal, financial and intellectual property matters. He has been associated with our Company as Director since October 2022 and has been appointed as Independent Director's position to meet with corporate governance requirements. He will be assisting our Company in the field of compliance and legal matters.

**Abhishek Shivanarayan Gupta**, aged 23 years is an Independent Director of the company. He is a Commerce graduate from Savitribai Phule Pune University having experience of one year as a consultant. He has been appointed as Independent Director in our Company on December 07, 2022 to meet with corporate governance requirements. He will be helpful to our Company in the finance and compliance related matters.

**Riddhi Nitin Aher**, aged 22 years is an Independent Director of Our Company. She has done Bachelors of Business Administration from Savitribai Phule Pune University. She has around 3 years of experience in the field of finance and administration. She has been associated with our Company as Director since December 07, 2022 to meet with corporate governance requirements.

### Further Confirmations:

- There are no arrangements or understanding with major shareholders, customers, suppliers, or others, pursuant to which any of the Directors were selected as a Director.
- There is no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- None of the Directors is declared as wilful defaulters by the RBI or any bank or financial institution or consortium thereof.

- None of our Promoters or Directors of our Company are declared Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such company.
- None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such company.
- None of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms of companies in which they are interested by any person either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or company in which he is interested, in connection with the promotion or formation of our Company.
- No proceedings/ investigations have been initiated by SEBI against any company, the board of directors of which also comprises any of the Directors of our Company. No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms of companies in which they are interested by any person either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or company in which he is interested, in connection with the promotion or formation of our Company.

### Terms of Appointment of the Managing Director

**Pranav Kailas Bagal** has been appointed as the Managing Director of our Company for a period of 5 years with effect from October 10, 2022 upto October 09, 2027 *vide* Shareholders resolution dated October 10, 2022. The significant terms of his employment are as under:

<b>Salary</b>	Basic salary of Rs. 1,00,000 per month
<b>Perquisites and other Benefits</b>	<ul style="list-style-type: none"> <li>• Reimbursement of expenses on medical treatment incurred the appointee and her family subject to ceiling of one month salary in a year or three months salary over a period of five years.</li> <li>• Fee of clubs subject to a maximum of two clubs, excluding admission and life membership fees</li> <li>• Premium not to exceed Rs. 10,000/- per annum for personal accident insurance.</li> <li>• Provision of Car for official-cum-personal use, however, the valuation for personal use of car shall be treated as perquisite in the hands of the Managing Director.</li> <li>• Provisions of Telephone at residence for official-cum-personal use. However, the valuation of personal use of telephone shall be treated as perquisite of the Managing Director.</li> </ul> <p>In addition to the perquisites as aforesaid, the Managing Director shall also be entitled to the following benefits in accordance with the Rules of the Company, which shall not be included in the computation of ceiling on remuneration:</p> <p>Reimbursement of all entertainment, traveling, hotel and other expenses incurred by the Managing Director during the course of and in connection with the business of the Company.</p>
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during her tenure, the Managing Director will be entitled to above remuneration along with the perquisites/ benefits mentioned above by way of minimum remuneration.

### Remuneration to Executive Directors

Details of remuneration paid to the Executive Directors in FY 2022 is as under:

Name of the Director	Amount (Rs. In Lakhs)
Pranav Kailas Bagal	1.00

### Remuneration details of our Non-Executive and Independent Directors

Our Non- Executive and Independent Directors are entitled to sitting fees for attending meetings of the Board, or of any committee of the Board. Currently, the sitting fees payable by our Company to our Directors is ₹ 5,000/- for every meeting of the Board attended by them and ₹ 2,500/- for every meeting of the committee of the Board attended by them.

We have not paid any sitting fees to any of our Directors in the Financial Year 2022.

### Bonus or Profit-Sharing Plan of the Directors

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

### Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares. As on date of the Draft Prospectus, our Directors hold the following number of Equity Shares of our Company:

Sr. No.	Name of shareholder	No. of Equity Shares	% of Issued Capital
1.	Pranav Kailas Bagal	39,08,464	99.96%
2.	Avinash Bhimrao Bagal	256	0.007%
3.	Riddhi Nitin Aher	256	0.007%

### Interest of Directors

- Our Non-Executive Non-Independent Directors 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 and reimbursement of expenses available to them and commission payable to them as approved by our Board. All our Executive Directors may be deemed to be interested to the extent of other remuneration and reimbursement of expenses payable to them.
- Our Promoters may be deemed to be interested in the promotion or formation of our Company. Our Directors may also be regarded as interested in the Equity Shares held by them, if any (together with dividends and any other distributions in respect of such Equity Shares).
- Further, none of our Directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.
- No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which any of our Directors are interested, by any person, either to induce him to become, or to qualify him as, as a Director, or otherwise for services rendered by our Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.
- Except as disclosed in “Financial Statements” beginning on page 128 and as disclosed in this section, none of our Directors have any interest in our business.
- Further, except as disclosed in “Financial Statements” beginning on page 128, no loans have been availed by our Directors from our Company.

### Changes in our Board during the Last Three Years

Except as disclosed below, there have been no changes in our Board during the last three years:

Name of Director	Date of change	Reason
Tushar Narayandas Sawana	September 30, 2022	Appointment as Additional Director
Jaiprakash Kailashchandra Lahoti	September 30, 2022	Resigned as disassociated from the Company
Chhotusingh Babulal Girase	September 30, 2022	Resigned as disassociated from the Company
Prakash Narayandas Sawana	October 10, 2022	Appointment as Independent Director
Tushar Narayandas Sawana	October 10, 2022	Resigned due to pre occupation
Pranav Kailas Bagal	November 01, 2022	Redesignated as Managing Director
Gitika Hemant Sawana	November 30, 2022	Appointment as Independent Director
Avinash Bhimrao Bagal	November 30, 2022	Appointment as Non-Executive Director
Abhishek Shivnarayan Gupta	December 07, 2022	Appointment as Independent Director
Riddhi Nitin Aher	December 07, 2022	Appointment as Independent Director
Gitika Hemant Sawana	December 07, 2022	Resigned due to pre occupation

### Borrowing Powers of our Board

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Pursuant to a resolution passed by our shareholders at their meeting held on October 10, 2022, our shareholders have authorized our Board to borrow any sum of money from time to time notwithstanding that the sum or sums so borrowed together with the monies, if any, already borrowed by the company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the paid up capital and free reserves of the Company provided such amount does not exceed ₹25,00,00,000 (Rupees Twenty Five Crores Only) in excess of its paid up capital and free reserves which may have not been set apart for any purpose.

### Corporate Governance

The provisions of the SEBI (LODR) Regulations with respect to corporate governance will also be applicable to our Company immediately upon the listing of our Equity Shares with the Stock Exchange. Our Company is in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, the SEBI (ICDR) Regulations and the Companies Act, 2013 in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, to the extent applicable. Our Board functions either as a full board or through various committees constituted to oversee specific functions. In compliance with the requirements of the Companies Act and the SEBI (LODR) Regulations, to the extent applicable our Board of Directors consists of 4 (four) Directors (including one woman Director) of which three are non-executive Independent Directors which is in compliance with the requirements of Regulation 17 of SEBI (LODR) Regulations.

### Committees of our Board

Our Board has constituted the following committees including those for compliance with corporate governance requirements:

#### a. *Audit Committee*

Our Audit Committee was constituted pursuant to a resolution of our Board dated January 04, 2023. The Audit Committee comprises:

Name of Director	Status in Committee	Nature of Directorship
Riddhi Nitin Aher	Chairman	Non-Executive Independent Director
Prakash Narayandas Sawana	Member	Non-Executive Independent Director
Pranav Kailas Bagal	Member	Managing Director

The Company Secretary of the Company shall act as the Secretary of the Audit Committee.

Set forth below are the scope, functions, and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations.

#### A. *Powers of Audit Committee*

The Audit Committee shall have powers, including the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise if it considers necessary.

*B. Role of Audit Committee*

The role of the Audit Committee shall include the following:

- Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;
- Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors of our Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Modified opinion(s) in the draft audit report.
- Reviewing, the quarterly financial statements with the management before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of our Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of our Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- Discussion with internal auditors of any significant findings and follow up there on;
- 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;
- Discussion with statutory auditors before the commencement of the audit, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To establish and review the functioning of the whistle blower mechanism;
- Approval of appointment of the chief financial officer (*i.e.*, the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, and background, etc. of the candidate;
- Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act, 2013 or the SEBI (LODR) Regulations or by any other regulatory authority; and
- Review of (1) management discussion and analysis of financial condition and results of operations; (2) statement of significant related party transactions (as defined by the audit committee), submitted by management; (3)



management letters / letters of internal control weaknesses issued by the statutory auditors; (4) internal audit reports relating to internal control weaknesses; (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; (6) statement of deviations including (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI (LODR) Regulations; (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI (LODR) Regulations.

As required under Regulation 18 of the SEBI (LODR) Regulations, the Audit Committee shall meet at least four times in a year, and not more than four months shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

#### **b. Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated January 04, 2023. The Stakeholders' Relationship Committee comprises:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Riddhi Nitin Aher	Chairman	Non-Executive Independent Director
Pranav Kailas Bagal	Member	Managing Director
Prakash Narayandas Sawana	Member	Non-Executive Independent Director

The Company Secretary of the Company shall act as the Secretary of the Stakeholders' Relationship Committee.

Set forth below are the terms of reference of our Stakeholders' Relationship Committee.

- To look into the redressal of grievances of shareholders, debenture holders and other security holders;
- To investigate complaints relating to allotment of shares, approval of transfer or transmission of shares;
- To consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends; and
- To carry out any other function as prescribed under the SEBI (LODR) Regulations as and when amended from time to time.

#### **c. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee was constituted by our Board on January 04, 2023. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations. The Nomination and Remuneration Committee include the following:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Abhishek Shivnarayan Gupta	Chairman	Non-Executive Independent Director
Prakash Narayandas Sawana	Member	Non-Executive Independent Director
Riddhi Nitin Aher	Member	Non-Executive Independent Director

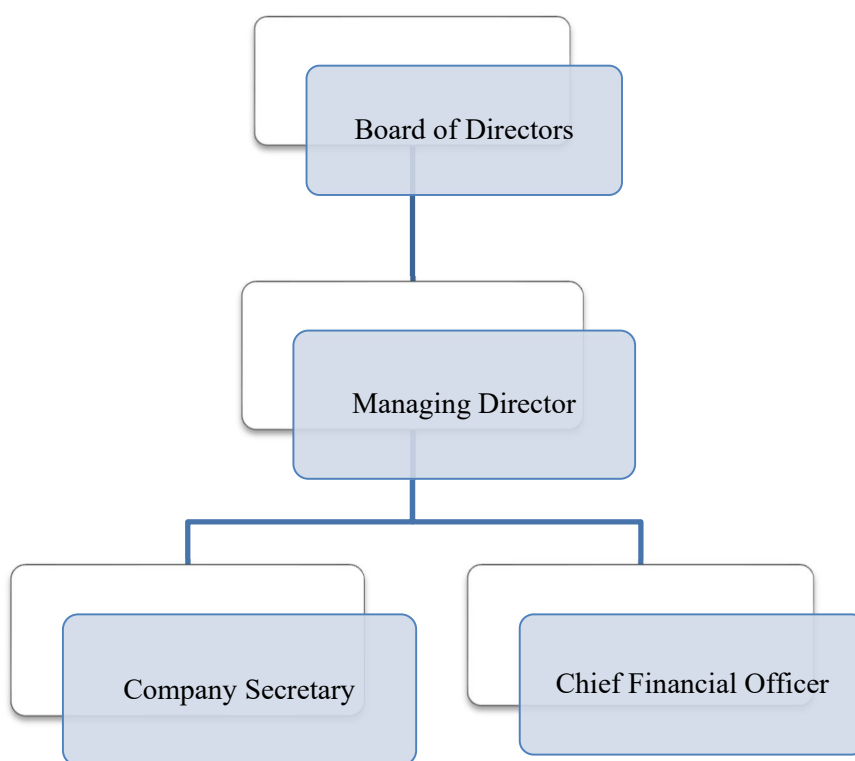
The Company Secretary of the Company shall act as the Secretary of the Nomination and Remuneration Committee.

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Set forth below are the terms of reference of our Nomination and Remuneration Committee.

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel, and other employees. The Nomination and Remuneration Committee shall, while formulating such policy ensure that (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully; (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;

- Devising a policy on diversity of board of directors;
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

## ORGANIZATION STRUCTURE



## OUR KEY MANAGERIAL PERSONNEL

Set forth below are the details of our key managerial personnel in addition to our Managing Director, Executive Director as on the date of the Draft Prospectus. For details of our Managing Director, Executive Director please refer “*Our Management*” on page 110.

**Sandipan Baburao Bhawar**, aged 33 Years, is the Chief Financial Officer of our Company. He has done a Bachelors and Masters of Arts in English from Savitribai Phule Pune University. He has also completed Post Graduate Diploma in Insurance from Manipal Academy of Higher Education, Manipal, Karnataka. He also holds certificate of Honor in various computer languages/ applications and accounting package from Grand Computer Education Pvt. Ltd., Dadar, Mumbai. He has an overall experience of 7 years in the field of Banking, Finance and accounts. He has joined our Company as CFO from November 30, 2022. The remuneration paid to him during fiscal ended March 31, 2022 was Nil.

**Kamlesh Yadav**, aged 34 years, is the Company Secretary & Compliance Officer of our Company. He is a Commerce graduate from Devi Ahilya Vishwavidyalaya, Indore, Madhya Pradesh and qualified Company Secretary from ICSI. He has professional experience of more than 7 years in the field of Company Law and Secretarial Compliances. He has joined our Company on December 08, 2022 as Company Secretary and Compliance Officer. The remuneration paid to him during fiscal ended March 31, 2022 was Nil.

### Shareholding of KMP

None of the above mentioned key managerial personnel hold any Equity Shares in our Company. For details of shareholding of our Directors and key managerial personnel, please refer “*Capital Structure*” on page 49.

### Status of Key Managerial Personnel

All our key managerial personnel are permanent employees of our Company.

### Nature of family relationship

None of the above mentioned key managerial personnel are related to each other and neither are they related to our Promoters or Directors.

### **Arrangements and Understanding with Major Shareholders**

None of our key managerial personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers, or others. For more information, refer “*History and Certain Other Corporate Matters*” on page 106.

### **Bonus or Profit-Sharing Plan for our Key Managerial Personnel**

As on the date of this Draft Prospectus our Company does not have any performance linked bonus or profit-sharing plan with any of our key managerial personnel.

### **Loans to Key Managerial Personnel**

There is no loan outstanding against any of the key managerial personnel as on date of this Draft Prospectus.

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

Except as disclosed in “*Interest of Directors*” on page 114 in respect of Directors, no other Key Managerial Personnel of our Company has any interest in our Company other than to the extent of the 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. There is no contingent or deferred compensation accrued for the year payable to the Key Managerial Personnel, even if the compensation is payable at a later date.

Further, the Key Managerial Personnel may be regarded as interested in the Equity Shares held by them, if any, (together with dividends and any other distributions in respect of such Equity Shares). No loans have been availed by our Key Managerial Personnel from our Company.

### **Employees Stock Option Scheme**

Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Scheme as on the date of filing of the Draft Prospectus.

### **Payment or Benefit to officers of our Company**

Except as disclosed in this Draft Prospectus, no amount or benefit has been paid or given or is intended to be paid or given to any of our Company’s employees including the Key Management Personnel within the two years preceding the date of filing of this Draft Prospectus, except for the payment of remuneration or commission for services rendered as an officer of our Company.

### **Changes in our Company’s Key Managerial Personnel during the last three years**

Except as disclosed below, there have been no changes in our Key Managerial Personnel during the last three years

<b>Name of Employee</b>	<b>Date of appointment</b>	<b>Date of cessation</b>	<b>Reason</b>
Sandipan Baburao Bhawar	November 30, 2022	NA	Appointed as CFO
Ram Gobhade	November 30, 2022	December 07, 2022	Appointed as CS and resigned due to personal reason
Kamlesh Yadav	December 08, 2022	NA	Appointed as CS and Compliance Officer

## OUR PROMOTERS AND PROMOTER GROUP

### **Individual Promoter:**

#### **1. Pranav Kailas Bagal**

### **Details of our Promoters**



**Pranav Kailas Bagal**, aged 22 years is the Promoter & Managing Director of Our Company. He has completed Diploma in Agriculture from National Backward Krushi Vidhyapeeth, Solapur, Maharashtra. He has around six years of experience in the field of Marketing of Agriculture inputs, managing customer relations and trade terms, managing manufacturing and supply chain strategies, managing costs and establish strategic partnerships with farmers, vendors and service providers etc. He has been associated with our Company as Director since August 2020 and has been elevated to Managing Director's position in October 2022. Prior to starting our Company, he has done Agri-inputs business in Proprietary concern M/s. Nirman Agri Genetics from 2018 till the time same is taken over by our Company and before that he has worked as Marketing Manager with Shivam Krushi Sheti Udhyog Kendra engaged in whole sale and retail distribution of seeds, pesticides, fertilisers and agriculture related equipments. He is currently responsible for managing marketing and business development functions of the Company. For a complete profile of Pranav Kailas Bagal, and other directorships, please refer "*Our Management*" on page 110.

**PAN:** EHJPB8209L

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**Declaration:** We confirm that the PAN, bank account number and passport number of our Promoters will be submitted to NSE on whose SME Platform the Equity Shares are proposed to be listed, at the time of filing the Draft Prospectus.

### **Interest of our Promoters**

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) of their shareholding and the shareholding of relatives in our Company and the dividend payable, if any and other distributions in respect of the Equity Shares held by them or the relatives; (iii) of being Managing Director and Key Management Personnel of our Company and the remuneration, sitting fees and reimbursement of expenses payable by our Company to him; (iv) that he has mortgaged his personal properties and provided personal guarantees for the loans availed by our Company; (v) of being a subscriber to the Memorandum of Association of our Company; (v) of his relatives having been appointed to places of profit in our Company; and (vi) that our Company has undertaken transactions with them, or their relatives or entities in which our Promoter hold shares. For details regarding the shareholding of our Promoter in our Company, please refer "*Capital Structure*", "*Our Management*" and "*Related Party Transactions*" on pages 49, 110 and 146, respectively.

Other than as mentioned below, our Promoters do not have any interest in any property acquired by our Company within two years of the date of this Draft Prospectus or proposed to be acquired by it or in any transaction in acquisition of land and construction of building etc. Further, our Promoter do not have any interest in any supply of machinery to our Company.

Other than as disclosed in the section "*Related Party Transaction as Restated*" on page 146, there are no sales/purchases between our Company and our Promoter and Promoter Group and Group Companies where such sales or purchases exceeding in value in the aggregate 10% of the total sales or purchases of our Company or any business interest between our Company, our Promoter, our Promoter Group and Group Entities as on the date of the last audited financial statements.

Our Promoters may also be deemed to be interested in our Company to the extent of the personal guarantees given by them for the loans availed by our Company. For further details, please see the chapter titled "Financial Indebtedness" beginning on page 163 of this Draft Prospectus.

Our Promoters are not members of any firm or company having any interest in the Company for which any sums are paid or agreed to be paid to either of our Promoters or to the firm or company in cash or shares or otherwise by any person either to induce our Promoters to become, or to qualify our Promoters as, a director, or otherwise for services rendered by our Promoters or by the firm or company, in connection with the promotion or formation of the Company.

## **Change in the management and control of our Company**

Pranav Kailas Bagal has been our Promoter and major shareholder since Incorporation and there has been no change in the management of our Company. Pranav was holding 51% shareholding at the time of Incorporation and later in 2022, he acquired 100% ownership by purchasing the equity from other shareholders.

## **Group Company**

For details of our group entities, please refer “Our *Group Entities*” on page 124 of the Draft Prospectus.

## **Payment of Benefit to Promoters**

Except as stated above in “– *Interest of Promoters*” and in “*Financial Statements- Annexure XV – Statement of Related Party Transactions*” on pages 121 and 126 of the Draft Prospectus, there has been no payment of benefits to our Promoters, members of our Promoter Group and Group Entities, during the two years preceding the filing of the Draft Prospectus.

## **Material Guarantees**

Our Promoters have not given any material guarantees to any third parties with respect to the Equity Shares, as on the date of this Draft Prospectus.

## **Common Pursuits**

There are no promoter group entities as on the date of filing of this offer documents and hence there is no common pursuits similar to our Company.

## **Litigation**

For details relating to legal proceedings involving the Promoters, please refer ‘*Outstanding Litigations and Material Developments*’ on page 164 of the Draft Prospectus.

## **Other Confirmations**

Our Promoters and their relatives have not been declared as Wilful Defaulters and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against them.

None of our Promoters or Directors are Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of the Promoters, Promoter Group entities or Group Companies have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Offer against our Promoters, except as disclosed under the chapter titled “Outstanding Litigation and Material Developments” beginning on page 164 of this Draft Prospectus.

Except as disclosed in “*Related Party Transactions*” on page 146, our Promoters are not related to any of the sundry debtors or beneficiaries of loans and advances of our Company.

Our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

## **Guarantees**

Our Promoters have not given any guarantee to any third party as of the date of the Draft Prospectus.

**Companies with which our Promoters have disassociated in the last three years**

Our Promoters have disassociated from CP Presto India Private Limited on December 01, 2022 to focus on the business of Our Company, other than that he has not disassociated as a promoter(s) from any Company in three years preceding the date of the Draft Prospectus.

## OUR PROMOTER GROUP

In addition to the Promoters named above, the following individuals and entities form part of the Promoter Group:

### A. Individuals forming part of Promoter Group:

Relationship	Pranav Kailas Bagal
Father	Kailas Bhimrao Bagal
Mother	Meena Kailas Bagal
Spouse	NA
Brother	NA
Sister	Harshada Kailas Bagal
Son	NA
Daughter	NA
Spouse's Father	NA
Spouse's Mother	NA
Spouse's Brother	NA
Spouse's Sister	NA

### B. Entities forming part of Promoter Group:

#### *Companies*

Nil

#### *LLPs*

Nil

#### *Partnership Firms*

Nil

#### *H.U.F.*

Nil

#### *Proprietary concern*

M/s. Nirman Agri Genetics (Acquired by our Company on October 31, 2022)

#### *Other Persons forming part of Promoter Group*

Nil



## OUR GROUP ENTITIES

As per the requirements of SEBI (ICDR) Regulations, for the purpose of identification of ‘Group Companies’, our Company considered companies as covered under the applicable accounting standards, being AS 18 (as mentioned in our restated financial statements), or other companies as considered material by our Board.

Accordingly, there are no companies which are considered material by the Board to be identified as group companies.

### Group Companies under the Insolvency and Bankruptcy Code, 2016

Neither has any winding up petition been filed under the Companies Act, 2013 against any group company nor has any corporate insolvency resolution process commenced against such group company under the Insolvency and Bankruptcy Code, 2016 or any other applicable law.

### Defunct Group Companies

None of our Group Companies are defunct companies, nor has any application been made to strike off their names from the register of companies during the five years preceding the date of filing the Draft Prospectus.

### Related Party Transactions and sales and purchases between our Company and Group Entities

For details of related party transactions entered into by our Company, refer “*Related Party Transactions*” on page 146.

### Common Pursuits

There are no common pursuits amongst any of our Group Companies and our Company.

### Interest of Group Entities

- a) None of the Group Companies have any interest in the promotion of our Company.
- (b) None of the Group Companies are interested in the properties acquired or proposed to be acquired by our Company in the preceding three years.
- (c) Except as disclosed in “*Financial Statements*” beginning on page 146, none of the Group Companies is interested in any transactions for acquisition of land, construction of building or supply of machinery.
- (d) Except in the ordinary course of business as disclosed in “*Financial Statements*” beginning on page 128, none of the Group Companies have any business interest or other interests in our Company.

### Payment or Benefit to our Group Entities

Except as stated in the “*Related Party Transactions*” on page, there has been no payment of benefits to our Group Entities during the two years prior to the filing of this Draft Prospectus.

### Other Confirmations

As on the date of this Draft Prospectus, none of the Group Entities: (i) are listed on any stock exchange; (ii) have completed any public or rights issue since the date of its incorporation; (iii) has received any winding up petition accepted by a court; (iv) have become defunct; (v) have made an application to the relevant registrar of companies (in India), for striking off its name (vi) have been identified as wilful defaulters, as defined under the SEBI (ICDR) Regulations and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them (vii) have been refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad (viii) had negative net worth as of the date of their last audited financial statements.

## **RELATED PARTY TRANSACTIONS**

For details of related party transactions of our Company as per the requirements under Accounting Standard 18 “*Related Party Disclosures*” issued by the Institute of Chartered Accountants of India and as reported in the Restated Financial Statements, please refer “*Statement of Related Parties & Transactions*” on page 146.

## **DIVIDEND POLICY**

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act, 2013. The dividend, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements, contractual obligations, applicable legal restrictions, and overall financial position of our Company. Our Company has not declared any dividend in last three financial years.

Our Company has no formal dividend policy. Our Board may also, from time to time and in accordance with applicable laws, pay interim dividends from the profits of the Financial Year in which such interim dividend is sought to be declared.

**SECTION VI – FINANCIAL INFORMATION****FINANCIAL STATEMENTS**

<b>Particulars</b>	<b>Beginning on Page No.</b>
Restated Financial Statements for the period ended October 31, 2022 and financial years ended March 31, 2022 and 2021 of our Company	129
Proforma Restated Financial Statements for the period ended October 31, 2022 and financial years ended March 31, 2022, 2021 and 2020 of our Company and M/s. Nirman Agri Genetics, Proprietary Concern	148

## **RESTATED FINANCIAL STATEMENTS OF OUR COMPANY**

### **INDEPENDENT AUDITOR'S REPORT**

(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,  
**The Board of Directors**  
**Nirman Agri Genetics Limited**  
Vedant Apartment,  
Near Reliance Shopee,  
Dindori Road, Panchavati,  
Nashik – 422 003,  
Maharashtra, India

Dear Sir,

#### **1. Report on Restated Financial Statements**

We have examined the Restated Financial Statements of **Nirman Agri Genetics Limited** (hereinafter referred as “the Company”), the summarized statements of which annexed to this report have been prepared in accordance with the requirements of:

- i. Section 26 read with the applicable provisions within Rule-4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013, As amended (hereinafter referred to as the “Act”) and
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“the Regulation”) (“SEBI ICDR Regulations”) issued by the Securities and Exchange Board of India (SEBI) and amendments made thereto;
  - iii. The terms of reference to our engagements with the Company requesting us to examine financial statements referred to above and proposed to be included in the Draft Prospectus /Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares on SME Platform of Stock Exchange (“IPO” or “SME IPO”);
  - iv. The (Revised) Guidance Note on Reports in Company Prospectus issued by the Institute of Chartered Accountants of India (“ICAI”) ; and
  - v. In terms of Schedule VI of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts, We, M/s A. S. Bedmutha & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.
2. The Restated Summary Statements and Financial information of the Company have been extracted and prepared by the management from the Audited Financial Statements of the Company for the period ended October 31, 2022 and for the financial years ended March 31, 2022 and 2021 which have been approved by the Board of Directors.
3. Financial Statements for the period ended October 31, 2022 have been audited by us, further the financial statements for the year ended March 31, 2022 have been audited by M/s Mayuri S. Puranik, Chartered Accountants and reaudited by us for the purpose of restatement as required under SEBI ICDR Regulations. The Financial Statements for the financial years ended March 31, 2021 was audited by M/s Chinmay Kelkar & Co., Chartered Accountants, being then Statutory Auditor of the Company for the respective years, which are all approved by the Board of Directors as on that date and upon which we have placed our reliance while reporting.

#### **4. Financial Information as per Audited Financial Statements:**

- i. We have examined:
  - a. The attached Restated Statement of Assets and Liabilities of the company, as at October 31, 2022, March 31, 2022 and March 31, 2021, (Annexure I);

- b. The attached Restated Statement of Profits and Losses of the Company for the period ended October 31, 2022 and financial years ended March 31, 2022 and 2021, (Annexure II);
- c. The attached Restated Statement of Cash Flows of the Company for the period ended October 31, 2022 and financial years ended March 31, 2022 and 2021, (Annexure III);
- d. The Significant Accounting Policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings. (Annexure IV);

(Collectively hereinafter referred as “**Restated Financial Statements**” or “**Restated Summary Statements**”)

- ii. In accordance with the requirements of Act, ICDR Regulations as amended from time to time, Guidance Note on the reports in Company Prospectus (Revised) issued by ICAI and the terms of our Engagement Letter, we further report that:
  - a. The “Restated Statement of Assets and liabilities” as set out in Annexure I to this report, of the Company as at October 31, 2022, March 31, 2022 and 2021 are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.
  - b. The “Restated Statement of Profit and Loss” as set out in Annexure II to this report, of the Company for the period ended October 31, 2022 and financial years ended March 31, 2022 and 2021 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.
  - c. The “Restated Statement of Cash Flow” as set out in Annexure III to this report, of the Company for the period ended October 31, 2022 and financial years ended March 31, 2022 and 2021, are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV to this Report.

Based on the above we are of the opinion that “**Restated Financial Statements**” or “**Restated Summary Statements**” have been made after incorporating:

- a. There are no adjustments for any material amounts in the respective financial years have been made to which they relate, other than the adjustment for Deferred Tax and depreciation.
- b. There are no Extra-ordinary items that need to be disclosed separately in the Restated Summary Statements.
- c. There were no audit qualifications for which adjustment was required.
- d. There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statements.
- e. There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements.
- f. The Company has not paid dividend on its equity shares.

## 5. Other Financial Information:

- I. We have also examined the following financial information as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for the period ended October 31, 2022 and financial years ended March 31, 2022 and 2021.

PARTICULARS	ANNEXURE NO.
STATEMENT OF ASSETS AND LIABILITIES AS RESTATED	I
STATEMENT OF PROFIT & LOSS AS RESTATED	II
STATEMENT OF CASH FLOWS AS RESTATED	III
SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS	IV
STATEMENT OF SHARE CAPITAL AS RESTATED	I.1
STATEMENT OF RESERVES AND SURPLUS AS RESTATED	I.2
STATEMENT OF LONG-TERM BORROWINGS AS RESTATED	I.3
STATEMENT OF TRADE PAYABLES AS RESTATED	I.4
STATEMENT OF OTHER CURRENT LIABILITIES AS RESTATED	I.5
STATEMENT OF SHORT-TERM PROVISIONS	I.6
STATEMENT OF FIXED ASSETS AS RESTATED	I.7
STATEMENT OF OTHER NON-CURRENT ASSETS AS RESTATED	I.8
STATEMENT OF CURRENT INVESTMENTS AS RESTATED	I.9
STATEMENT OF INVENTORIES AS RESTATED	I.10
STATEMENT OF TRADE RECEIVABLES AS RESTATED	I.11
STATEMENT OF CASH AND CASH EQUIVALENTS AS RESTATED	I.12
STATEMENT OF SHORT-TERM LOANS & ADVANCES AS RESTATED	I.13
STATEMENT OF OTHER CURRENT ASSETS AS RESTATED	I.14
STATEMENT OF REVENUE FROM OPERATIONS AS RESTATED	II.1
STATEMENT OF CHANGES IN INVENTORY AS RESTATED	II.4
STATEMENT OF EMPLOYEE BENEFIT EXPENSES AS RESTATED	II.3
STATEMENT OF OTHER EXPENSES AS RESTATED	II.4
STATEMENT OF FINANCIAL CHARGES AS RESTATED	II.5
STATEMENT OF RELATED PARTY TRANSACTIONS AS RESTATED	V
<b>OTHER FINANCIAL INFORMATION</b>	
STATEMENT OF ACCOUNTING RATIOS AS RESTATED	VI
STATEMENT OF CAPITALIZATION AS RESTATED	VII

- II. The Restated Financial Information contain all the disclosures required by the SEBI ICDR regulations and partial disclosures as required by Accounting Standards notified under section 133 of Companies Act, 2013.
- III. We have not audited any financial statements of the Company as of any date or for any period subsequent to October 31, 2022. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period subsequent to October 31, 2022.
- IV. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.
- V. In our opinion, the above restated financial information contained in this report read along with the are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with paragraph B, Part II of Schedule II of the Act, the SEBI Regulations, The Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with the Company. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.
- VI. Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments,

the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

- VII. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report, nor should this constructed as a new opinion on any of the financial statements referred to herein.
- VIII. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- IX. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or adjusted for any other purpose without our written consent.

## 6. Auditor's Responsibility

Our responsibility is to express an opinion on these restated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## 7. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the restated financial statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

As per our Report Attached

**For M/s. A. S. Bedmutha & Co.,**  
Chartered Accountants  
**Firm Registration No:** 101067W

Sd/-

CA Smruti R. Dungarwal  
Partner  
**Membership No:** 144801  
**Date:** January 04, 2023

**Place:** Nashik  
**UDIN:** 23144801BGUVNZ7689



## Annexure I

## STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(₹ in Lakhs)

Particulars	Note No.	31.10.22	31.03.22	31.03.21
<b>Equity &amp; Liabilities</b>				
<b>Shareholders Fund</b>				
Share capital	I.1	256.00	1.00	1.00
Reserves and surplus	I.2	191.51	263.41	5.47
<b>Total Shareholder's Fund</b>		<b>447.51</b>	<b>264.41</b>	<b>6.47</b>
<b>Non Current Liabilities</b>				
Long Term Borrowings	I.3	171.41	124.67	99.19
Long term provisions		0.00	0.00	0.00
Deferred Tax Liability		0.00	0.00	0.00
<b>Total Current Liabilities</b>		<b>171.41</b>	<b>124.67</b>	<b>99.19</b>
<b>Current Liabilities</b>				
Short Term Borrowings		0.00	0.00	0.00
Trade Payables	I.4	89.31	98.27	37.60
Other Current Liabilities	I.5	42.87	18.88	18.88
Short Term Provisions	I.6	164.60	89.64	1.92
<b>Total Current Liabilities</b>		<b>296.78</b>	<b>206.79</b>	<b>58.40</b>
<b>Total Equity &amp; Liability</b>		<b>915.70</b>	<b>595.87</b>	<b>164.06</b>
<b>Non-Current Assets</b>				
a) Fixed Assets				
Tangible Assets	I.7	36.40	0.51	0.00
Intangible Assets		0.00	0.00	0.00
Capital WIP		0.00	0.00	0.00
<b>Total Fixed Assets (a)</b>		<b>36.40</b>	<b>0.51</b>	<b>0.00</b>
b) Non Current Investments		0.00	0.00	0.00
c) Long Term Loans and Advances		0.00	0.00	0.00
d) Other Non Current Assets	I.8	0.04	0.03	0.00
e) Deferred Tax Assets		0.00	0.00	0.00
<b>Total Non Current Assets</b>		<b>0.38</b>	<b>0.54</b>	<b>0.00</b>
<b>Current assets</b>				
Current Investments	I.9	1.75	0.00	0.00
Inventories	I.10	187.04	64.46	20.12
Trade Receivables	I.11	510.59	422.64	61.46
Cash and Cash Equivalents balances	I.12	50.08	93.49	73.45
Short Term Loans and advances	I.13	129.03	12.95	7.00
Other Current Assets	I.14	0.77	1.79	2.03
<b>Total Current Assets</b>		<b>879.26</b>	<b>595.33</b>	<b>164.06</b>
<b>Total Assets</b>		<b>915.70</b>	<b>595.87</b>	<b>164.06</b>

## Annexure II

## STATEMENT OF PROFIT &amp; LOSS AS RESTATED

(₹ in Lakhs)

Particulars	Note No.	31.10.22	31.03.22	31.03.21
<b>Income</b>				
Revenue from Operations	II.1	1,804.28	1,348.91	382.21
Other Income		0.00	0.00	0.00
<b>Total Revenue</b>		<b>1,804.28</b>	<b>1,348.91</b>	<b>382.21</b>
<b>Expenditure</b>				
Cost of Material Consumed	II.2	1,434.17	942.71	348.02
Employee Benefit Expenses	II.3	40.56	50.24	16.47
Other Expenses	II.4	16.62	13.53	10.32
<b>Total (B)</b>		<b>1,491.35</b>	<b>1,006.48</b>	<b>374.81</b>
<b>Profit Before Interest, Depreciation and Tax</b>		<b>312.93</b>	<b>342.43</b>	<b>7.40</b>
Depreciation & amortisation expenses		3.42	0.19	0.00
<b>Profit Before Interest and Tax</b>		<b>309.51</b>	<b>342.24</b>	<b>7.40</b>
Financial Charges	II.5	0.62	0.11	0.01
<b>Profit before Taxation</b>		<b>308.89</b>	<b>342.13</b>	<b>7.39</b>
Provision for Taxation		78.46	86.14	1.92
Provision for Deferred Tax		-0.01	-0.03	0.00
<b>Total Taxes</b>		<b>78.45</b>	<b>86.11</b>	<b>1.92</b>
<b>Profit After Tax but Before Extra ordinary Items</b>		<b>230.44</b>	<b>256.02</b>	<b>5.47</b>
Extraordinary Items		0.00	0.00	0.00
Prior Period Items		0.00	0.00	0.00
<b>Net Profit after adjustments</b>		<b>230.44</b>	<b>256.02</b>	<b>5.47</b>
<b>Net Profit Transferred to Balance Sheet</b>		<b>230.44</b>	<b>256.02</b>	<b>5.47</b>

## Annexure III

## STATEMENT OF CASH FLOWS AS RESTATED

(₹ in Lakhs)

PARTICULARS	31.10.22	31.03.22	31.03.21
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit Before Tax	308.89	342.13	7.39
Adjusted for :			
a. Depreciation	3.42	0.19	0.00
b. Interest Expenses & Finance Cost	0.62	0.11	0.01
c. Interest & Other Income	0.00	0.00	0.00
d. Other Adjustment – Profits of Proprietary Concern	(47.34)	0.00	0.00
<b>Operating profit before working capital changes</b>	<b>265.59</b>	<b>342.43</b>	<b>7.40</b>
Adjusted for :			
a. Decrease /(Increase) in Inventories	(122.58)	(44.34)	(20.12)
b. Decrease / (Increase) in trade receivable	(87.95)	(361.18)	(61.46)
c. Decrease / (Increase) in Current Investments	(1.75)	0.00	0.00
d. (Increase) / Decrease in short term loans and advances	(116.08)	(5.95)	(7.00)
e. Increase / (Decrease) in Trade Payables	(8.96)	60.67	37.60
f. Increase / (Decrease) in short term provisions	74.96	87.72	1.92
g. Increase / (Decrease) in other current liabilities	23.99	0.00	18.88
h. (Increase) / Decrease in Other Current Assets	1.02	0.24	(2.03)
<b>Cash generated from operations</b>	<b>28.24</b>	<b>79.59</b>	<b>(24.81)</b>
Income Tax Paid (net of refunds)	78.46	84.19	1.92
<b>NET CASH GENERATED FROM OPERATION</b>	<b>(50.22)</b>	<b>(4.60)</b>	<b>(26.73)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
a. (Purchase) / Sale of Fixed Assets	(39.30)	(0.70)	0.00
b. (Purchase) / Sale of non-current investment	0.00	0.00	0.00
c. (Increase) / Decrease in Long term loans and advances	0.00	0.00	0.00
d. Increase / (Decrease) in Long Term Provisions	0.00	0.00	0.00
e. (Increase) / Decrease in Other Non Current Assets	(0.01)	(0.03)	0.00
f. (Increase) in Misc. Expenses	0.00	0.00	0.00
g. Interest & Other Income	0.00	0.00	0.00
h. Dividend Income	0.00	0.00	0.00
<b>Net cash (used) in investing activities</b>	<b>(39.31)</b>	<b>(0.73)</b>	<b>0.00</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
a. Interest & Finance Cost	(0.62)	(0.11)	(0.01)
b. Proceeds from share issued / application	0.00	0.00	1.00
c. ( Repayments ) / proceeds of long term borrowings	46.74	25.48	99.19
d. ( Repayments ) / proceeds of short term borrowings	0.00	0.00	0.00
<b>Net cash generated/(used) in financing activities</b>	<b>46.12</b>	<b>25.37</b>	<b>100.18</b>
<b>Net Increase / ( Decrease ) in cash and cash equivalents</b>	<b>(43.41)</b>	<b>20.04</b>	<b>73.45</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>93.49</b>	<b>73.45</b>	<b>0.00</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>50.08</b>	<b>93.49</b>	<b>73.45</b>

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

## Annexure IV

**SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS****SIGNIFICANT ACCOUNTING POLICIES****Note No.1: Corporate Information**

Nirman Agri Genetics Limited (Formerly known as Nirman Agri Genetics Private Limited) was incorporated as private limited on August 19, 2020 under the Companies Act, 2013 with the Registrar of Companies, Mumbai bearing Registration number 344089. The status of the Company was changed to public limited and the name of our Company was changed to Nirman Agri Genetics Limited vide Special Resolution passed at EGM dated December 05, 2022. The fresh certificate of incorporation consequent to conversion was issued on January 03, 2023 by the Registrar of Companies, Mumbai. The company is engaged in the business of Manufacturing and processing of Hybrid Seeds and other agricultural related products.

**Note No.2: SIGNIFICANT ACCOUNTING POLICY****1. System of Accounting:**

These financial statements are prepared in conformity with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, provision of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**2. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates

**3. Property, plant and equipment**

(i) Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation, goods and service tax and accumulated impairment loss, if any. Cost includes duties, freight and other incidental expenses directly related to acquisition / construction and installation of the assets. Any trade discounts, and rebates are deducted in arriving at the purchase price.

(ii) An item of property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the Statement of Profit and Loss.

(iii) Depreciation

Depreciation is provided on Written down Value Method over the useful life of the assets at the rates and in the manner prescribed under part "C" of Schedule II of the Companies Act, 2013. Depreciation for assets purchased / sold during a period is proportionately charged.

a)

<b>Assets</b>	<b>Useful lives</b>
Plant & Machinery	15- 20 Years
Office Equipments	5 Years
Renewable Solar System	10 Years
Furniture & Fixture	10 Years

Vehicles	8 Years
Computers	3 Years

#### **4. Inventories:**

Inventories are valued on the principle laid down by AS 2 “Inventories” on the basis given below:

Raw Material, Stores & Packing Material: Lower of cost (determined on weighted average basis) and net realizable value.

Work in Progress: Lower of cost and net realizable value. Cost includes direct materials, Packaging Material, labour and a proportion of manufacturing overheads based on normal operating capacity.

Finished Goods: "Lower of cost and net realizable value. Cost includes direct materials, Packaging Material, labour, a proportion of manufacturing overheads based on normal operating capacity"

#### **5. Revenue Recognition:**

The Company’s revenue was primarily comprised of sale of Hybrid Seeds and other agricultural related products.

Revenue on sale of goods is recognized when property in the goods is transferred to the buyer for a price, or when all significant risks and rewards of ownership have been transferred to the buyer and no effective control is retained by the Company in respect of the goods transferred, to a degree usually associated with ownership, and no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of good. Sales are recognised, net of returns and trade discounts.

#### **6. Borrowing Cost :**

Borrowing costs directly attributable to acquisition or construction of property, plant & Equipment which necessarily take substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are charged to profit and loss account.

#### **7. Taxes on Income:**

Current Tax is determined as the tax payable in respect of taxable income for the year.

Deferred tax is recognized on timing differences between taxable and accounting income / expenditure that originates in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Asset is recognized on the basis of virtual / reasonable certainty about its realizability, as applicable.

#### **8. Earning Per Share:**

The basic and diluted earning per share (EPS) is computed by dividing the net profit/loss after tax for the year by weighted average number of equity shares outstanding during the year.

#### **9. Impairment of Assets**

Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

#### **10. Provisions Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes after careful evaluation by the management of the facts and legal aspects of the matters involved. Contingent Assets are neither recognized nor disclosed in the financial statements.

**NOTES ON ACCOUNTS AND RESTATEMENTS MADE IN THE RESTATED FINANCIALS**

1. The company has not received any information from its suppliers regarding registration under the “The Micro, Small and Medium Enterprises Development Act, 2006. Hence, the information required to be given in accordance with Section 22 of the said Act, is not ascertained and not disclosed.
2. Employee Benefits expenses include director’s remuneration.
3. Balances of debtors, creditors and advances are subject to confirmation / reconciliations, if any. The management does not expect any material difference affecting the financial statements on such reconciliation / adjustments. In the opinion of the management, current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet. The provision for depreciation and for all known liabilities is adequate and no in excess of the amount reasonably stated.
4. In the opinion of Board of Directors, the Current Assets Loans and Advances are approximately of the same value if realized in the ordinary course of business and the provisions of all known liabilities are adequate.
5. Consumption of consumables and raw material has been arrived by adding purchases to opening stock and deducting closing stock there from.
6. There are no contingent Liabilities reported and as such no provision has been made in these accounts for such liability.
7. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.
8. Material Regroupings:

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

9. Material Adjustments

There are no material adjustments or errors which required adjustment for the purpose of restatement:

10. Adjustments not having impact on profit

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

11. Amounts in the financial statements

Amounts in the restated financial statements are reported in rupees in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

12. Auditors Qualifications –

Details of Auditors qualifications and their impact on restated financial statement is given below:

- a) Qualification which required adjustment in restated financial statements: None
- b) Qualification which does not require adjustment in restated financial statements: None

**CHANGES IN ACCOUNTING POLICIES IN THE PERIOD/YEARS COVERED IN THE RESTATED FINANCIALS**

There have been no changes in accounting policies of the Company in the period covered under this restatement.

## Annexure – I.1

## STATEMENT OF SHARE CAPITAL AS RESTATED

(₹ in lakhs)

Particulars	31.10.22	31.03.22	31.03.21
<b>Authorised</b>			
Equity shares of ₹ 10/- each	700.00	1.00	1.00
<b>Issued, Subscribed &amp; Fully Paid-up</b>			
Equity shares of ₹ 10/- each	256.00	1.00	1.00

Note: The Company has only one class of equity shares of par value ₹ 10 each. Each equity shareholder is entitled to one vote per share held, and on liquidation entitled to receive balance of net assets remaining after settlement of all debts, creditors & preferential amounts, proportionate to their respective shareholding. No dividend is proposed.

## Reconciliation of No. of Shares Outstanding at the end of the year:

Particulars	31.10.22	31.03.22	31.03.21
Shares outstanding at the beginning of the year	10,000	10,000	0
Shares issued during the year	0	0	10000
Bonus Issued during the year	25,50,000	0	0
Share outstanding at the end of the year	25,60,000	10,000	10,000

## Details of Shareholding more than 5% of the aggregate shares in the company:

Particulars	31.10.22	31.03.22	31.03.21
<b>Pranav Kailas Bagal</b>			
No. of Shares	25,58,464	5,100	5,100
% Holding	99.94	51.00	51.00
<b>Chhotu Singh Girase</b>			
No. of Shares	0	2450	2450
% Holding	0.00	24.50	24.50
<b>Jaiprakash Lahoti</b>			
No. of Shares	0	2450	2450
% Holding	0.00	24.50	24.50

## Annexure – I.2

## STATEMENT OF RESERVES AND SURPLUS AS RESTATED

(₹ in lakhs)

Particulars	31.10.22	31.03.22	31.03.21
<b>Statement of Profit &amp; Loss</b>			
Opening balance	263.41	7.39	0.00
Add: Profit for the year	230.44	256.02	5.47
Less: Utilised for Bonus Issue	-255.00	0.00	0.00
Less: Profits of Proprietorship	-47.34	0.00	0.00
<b>Profit available for appropriation</b>	<b>191.51</b>	<b>263.41</b>	<b>5.47</b>
<b>Balance as at the end of the year</b>	<b>191.51</b>	<b>263.41</b>	<b>5.47</b>
<b>Securities Premium Account</b>			
Opening balance	0.00	0.00	0.00
Add: Additions during the year	0.00	0.00	0.00
Less: Utilised for Bonus Issue	0.00	0.00	0.00
<b>Balance as at the end of the year</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Reserve &amp; Surplus</b>	<b>191.51</b>	<b>263.41</b>	<b>5.47</b>



## Annexure – I.3

## STATEMENT OF LONG-TERM BORROWINGS AS RESTATED

(₹ in Lakhs)

Particulars	31.10.22	31.03.22	31.03.21
<b>Secured Loans</b>			
<b>Loan from Banking &amp; Financial Institutions</b>			
Bank of India - Car Loan	8.48	-	-
Bank of India - Cash Credit	1.28	-	-
<b>Sub Total - A</b>	<b>9.76</b>	<b>-</b>	<b>-</b>
<b>Unsecured Loans</b>			
<b>Loan from Others</b>			
Samadhan Gavhane	-	1.00	-
<b>Sub Total - B</b>	<b>-</b>	<b>1.00</b>	<b>-</b>
<b>Loan From Related Parties</b>			
Pranav Kailas Bagal	111.65	6.64	2.99
Chhotu Singh Girase	25.00	57.08	49.75
Jaiprakash Lahoti	25.00	59.95	46.45
<b>Sub Total – C</b>	<b>161.65</b>	<b>123.67</b>	<b>99.19</b>
<b>Total (A + B + C)</b>	<b>171.41</b>	<b>124.67</b>	<b>99.19</b>

## Annexure – I.4

## STATEMENT OF TRADE PAYABLES AS RESTATED

(₹ in lakhs)

Particulars	31.10.22	31.03.22	31.03.21
Sundry Creditors	89.31	98.27	37.60
<b>Total</b>	<b>89.31</b>	<b>98.27</b>	<b>37.60</b>

## Annexure – I.5

## STATEMENT OF OTHER CURRENT LIABILITIES AS RESTATED

(₹ in lakhs)

Particulars	31.10.22	31.03.22	31.03.21
Advance from Customers	3.56	0.00	0.00
Sundry Creditors for Expenses	5.01	0.00	0.00
Security Deposit from Customers	34.30	18.88	18.88
<b>Total</b>	<b>42.87</b>	<b>18.88</b>	<b>18.88</b>

## Annexure – I.6

## STATEMENT OF SHORT-TERM PROVISIONS AS RESTATED

(₹ in lakhs)

Particulars	31.10.22	31.03.22	31.03.21
Provision for Income Tax	164.60	86.14	1.92
Statutory Audit Fees and Professional Fees payable	0.00	2.50	0.00
Other Provisions	0.00	1.00	0.00
<b>Total</b>	<b>164.60</b>	<b>89.64</b>	<b>1.92</b>

## Annexure – I.7

## STATEMENT OF FIXED ASSETS AS RESTATED

For 31.10.2022					(₹ in lakhs)	
	GROSS BLOCK				NET BLOCK	
Particulars	As at	Additions	Deductions	Total	As at	As at
	1.4.2022				31.10.2022	31.03.2022
<b>A) Tangible Assets</b>						
Furniture & Fixture	0.70	0.67	0.00	1.37	0.98	0.35
Computer & Printer	0.00	0.22	0.00	0.22	0.19	0.00
Office Equipments	0.00	0.13	0.00	0.13	0.12	0.00
Plant & Machinery	0.00	24.55	0.00	24.55	22.57	0.00
Renewable Solar System	0.00	0.15	0.00	0.15	0.14	0.00
Vehicles	0.00	13.59	0.00	13.59	12.40	0.00
<b>Total - A</b>	<b>0.70</b>	<b>39.31</b>	<b>0.00</b>	<b>40.01</b>	<b>36.40</b>	<b>0.35</b>
<b>B) Intangible Assets</b>						
<b>Total - B</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL - A+B</b>	<b>0.70</b>	<b>39.31</b>	<b>0.00</b>	<b>40.01</b>	<b>36.40</b>	<b>0.35</b>

## For FY 2022

(₹ in lakhs)

	GROSS BLOCK				NET BLOCK	
Particulars	As at	Additions	Deductions	Total	As at	As at
	1.4.2021				31.03.2022	31.03.2021
<b>A) Tangible Assets</b>						
Furniture & Fixture	0.00	0.70	0.00	0.70	0.51	0.00
<b>Total - A</b>	<b>0.00</b>	<b>0.70</b>	<b>0.00</b>	<b>0.70</b>	<b>0.51</b>	<b>0.00</b>
<b>B) Intangible Assets</b>						
<b>Total - B</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL - A+B</b>	<b>0.00</b>	<b>0.70</b>	<b>0.00</b>	<b>0.70</b>	<b>0.51</b>	<b>0.00</b>

For FY 2021 - Nil

**Annexure – I.8****STATEMENT OF OTHER NON-CURRENT ASSETS AS RESTATED**

(₹ in lakhs)

Particulars	31.10.22	31.03.22	31.03.21
Deferred Tax Assets	0.04	0.03	-
<b>Total</b>	<b>0.04</b>	<b>0.03</b>	<b>0.00</b>

**Annexure – I.9****STATEMENT OF CURRENT INVESTMENTS AS RESTATED**

(₹ in lakhs)

Particulars	31.10.22	31.03.22	31.03.21
Unquoted Equity and MF units	0.39	0.00	0.00
Bank Deposits	0.28	0.00	0.00
Others	1.08	0.00	0.00
<b>Total</b>	<b>1.75</b>	<b>0.00</b>	<b>0.00</b>

**Annexure – I.10****STATEMENT OF INVENTORIES AS RESTATED**

(₹ in lakhs)

Particulars	31.10.22	31.03.22	31.03.21
Raw Material, Stores, Spares and tools	187.04	64.46	20.12
<b>Total</b>	<b>187.04</b>	<b>64.46</b>	<b>20.12</b>

**Annexure – I.11****STATEMENT OF TRADE RECEIVABLES AS RESTATED**

(₹ in lakhs)

Particulars	31.10.22	31.03.22	31.03.21
Debts outstanding for more than six months	0.00	0.00	0.00
Other Debts	510.59	422.64	61.46
<b>Total</b>	<b>510.59</b>	<b>422.64</b>	<b>61.46</b>

**Annexure – I.12****STATEMENT OF CASH AND CASH EQUIVALENTS AS RESTATED**

(₹ in lakhs)

Particulars	31.10.22	31.03.22	31.03.21
Balances with banks in current accounts / (Overdraft)	-0.36	0.60	71.39
Balances with banks in Deposit accounts	0.00	0.00	0.00
Cash on hand	50.44	92.89	2.06
<b>Total</b>	<b>50.08</b>	<b>93.49</b>	<b>73.45</b>

**Annexure – I.13****STATEMENT OF SHORT TERM LOANS & ADVANCES AS RESTATED**

(₹ in lakhs)

Particulars	31.10.22	31.03.22	31.03.21
Deposit	0.00	7.00	7.00
Loans & Advances	129.03	5.95	0.00
<b>Total</b>	<b>129.03</b>	<b>12.95</b>	<b>7.00</b>

**Annexure – I.14****STATEMENT OF OTHER CURRENT ASSETS AS RESTATED**

(₹ in lakhs)

Particulars	31.10.22	31.03.22	31.03.21
GST Inputs receivable	0.10	0.12	0.36
Prepaid Expenses	0.67	0.67	0.67
Advance for Purchase	0.00	1.00	1.00
<b>Total</b>	<b>0.77</b>	<b>1.79</b>	<b>2.03</b>

**Annexure – II.1****STATEMENT OF REVENUE FROM OPERATIONS AS RESTATED**

(₹ in lakhs)

Particulars	For the FY/Period ended		
	31.10.22	31.03.22	31.03.21
Sale of Products	1,804.28	1,348.91	382.21
Others	0.00	0.00	0.00
<b>Total</b>	<b>1,804.28</b>	<b>1,348.91</b>	<b>382.21</b>

**Annexure – II.2****STATEMENT OF COST OF MATERIAL CONSUMED AS RESTATED**

(₹ in lakhs)

Particulars	For the FY/Period ended		
	31.10.22	31.03.22	31.03.21
Opening Stock	64.46	20.13	0.00
Add : Opening Stock of Proprietary Concern	23.41	0.00	0.00
Add : Purchases	1,532.14	986.07	367.59
Add : Stores & Consumables	0.00	0.00	0.00
Add : Closing Stock of Proprietary Concern	-54.79	0.00	0.00
Less : Closing Stock	-132.24	-64.46	-20.13
<b>Total</b>	<b>1,432.98</b>	<b>941.74</b>	<b>347.46</b>
Add : Transport and Octroi	1.19	0.97	0.56
<b>Total</b>	<b>1,434.17</b>	<b>942.71</b>	<b>348.02</b>

## Annexure – II.3

## STATEMENT OF EMPLOYEE BENEFIT EXPENSES AS RESTATED

(₹ in lakhs)

Particulars	For the FY/Period ended		
	31.10.22	31.03.22	31.03.21
Salary & wages	39.56	49.24	16.47
Directors Remuneration	1.00	1.00	0.00
<b>Total</b>	<b>40.56</b>	<b>50.24</b>	<b>16.47</b>

## Annexure – II.4

## STATEMENT OF OTHER EXPENSES AS RESTATED

(₹ in lakhs)

Particulars	For the FY/Period ended		
	31.10.22	31.03.22	31.03.21
Advertisement & Business Promotion	0.05	0.04	0.03
Audit Fees & Professional Fees	3.50	2.50	0.20
Carriage Outward	0.33	-	-
Electricity charges	0.41	0.36	0.19
Office Expenses	1.69	0.53	2.06
Petrol & Diesel Expenses	1.05	0.42	0.14
Printing & Stationery	0.53	0.86	1.66
Repairs & Maintenance	0.15	-	-
Machinery Hire Charges	2.28	2.40	
Office Rent	1.13	2.25	2.25
Telephone Expenses	0.20	0.12	-
Travelling Expenses	5.30	4.05	3.79
<b>TOTAL</b>	<b>16.62</b>	<b>13.53</b>	<b>10.32</b>

## Annexure – II.5

## STATEMENT OF FINANCIAL CHARGES AS RESTATED

(₹ in lakhs)

Particulars	For the FY/Period ended		
	31.10.22	31.03.22	31.03.21
Interest on Loans	0.29	0.00	0.00
Bank Charges	0.33	0.11	0.01
<b>Total</b>	<b>0.62</b>	<b>0.11</b>	<b>0.01</b>

**Annexure – V****STATEMENT OF RELATED PARTY TRANSACTIONS AS RESTATED**

The company has entered into related party transactions with below mentioned parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India for the periods covered under audit:

As per Accounting Standard 18 on related party disclosure issue by the Institute of Chartered Accountants of India, the Company's related parties are disclosed below:

Related party relationship :	Name
Directors during the year / period	1) Pranav Kailas Bagal 2) Chotusingh Girase 3) Jaiprakash Lahoti

(₹ in Lakhs)

Name	On account	31.10.22	31.03.22	31.03.21
Mr. Pranav Kailas Bagal	Director Remuneration	0.58	1.00	0.00

**Annexure – VI****STATEMENT OF ACCOUNTING RATIOS AS RESTATED**

(₹ in lakhs)

Particulars	31.10.22	31.03.22	31.03.21
EBITDA (₹ in Lacs)	312.93	342.43	7.40
Net Profit as restated after Exceptional item (₹ in Lacs)	230.44	256.02	5.47
Net Worth (₹ in Lacs)	447.51	264.41	6.47
Return on Net worth (%)	51.49%	96.83%	84.54%
Equity Share at the end of year (in Nos.)	25,60,000	10,000	10,000
(Face Value ₹ 10)	10.00	10.00	10.00
Weighted No. of Equity Shares	2,72,150	10,000	10,000
Basic and Diluted Earnings per Equity Share	84.67	2,560.20	54.70
Net Asset Value/Book Value per Equity share (Based on no of share at the end of year)	17.48	2,644.10	64.70

Note:- Earnings per share (Rs.) = Profit available to equity shareholders / weighted No. of shares outstanding at the end of the year.

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value / Book value per share (Rs.) = net worth / No. of equity shares

The Company does not have any revaluation reserves or extra- ordinary items.

## Annexure – VII

## STATEMENT OF CAPITALIZATION AS RESTATED

(₹ in lakhs)

Particulars	Pre Issue	Pre Issue	Post Issue*
	As at 31.10.2022	As at 31.03.2022	
<b>Debt :</b>			
Short term debt	0.00	0.00	0.00
Long term debt	171.41	124.67	171.41
<b>Total Debt</b>	<b>171.41</b>	<b>124.67</b>	<b>171.41</b>
<b>Shareholder's Funds</b>			
Equity Share Capital	256.00	1.00	596.08
Reserves and Surplus	191.51	263.41	**
Less: Revaluation Reserves	0.00	0.00	0.00
Less: Misc. Expenditure	0.00	0.00	0.00
<b>Total Shareholders' Funds</b>	<b>447.51</b>	<b>264.41</b>	<b>**</b>
Long Term Debt/ Shareholders' Funds	0.38	0.47	**
Total Debt / Shareholders Fund	0.38	0.47	**

\*Based on the assumption that Fresh Issue of Equity Shares will be fully subscribed.

\*\* To be finalized at the Final Prospectus stage

## **RESTATED FINANCIAL STATEMENTS OF OUR COMPANY**

### **INDEPENDENT AUDITOR'S REPORT**

(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,  
**The Board of Directors**  
**Nirman Agri Genetics Limited**  
Vedant Apartment,  
Near Reliance Shopee,  
Dindori Road, Panchavati,  
Nashik – 422 003,  
Maharashtra, India  
Dear Sir,

#### **8. Report on Restated Proforma Financial Statements**

We have examined the Restated Financial Statements of **Nirman Agri Genetics Limited and Nirman Agri Genetics, Proprietary Concern of Mr. Pranav Kailas Bagal** (hereinafter together referred as “the entity”), the summarized proforma financial statements of which annexed to this report have been prepared in accordance with the requirements of:

- vi. Schedule III of the Companies Act, 2013, As amended (hereinafter referred to as the “Act”) and
  - vii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“the Regulation”) (“SEBI ICDR Regulations”) issued by the Securities and Exchange Board of India (SEBI) and amendments made thereto;
  - viii. The terms of reference to our engagements with the Entity requesting us to examine financial statements referred to above and proposed to be included in the Draft Prospectus /Prospectus being issued by the Entity for proposed Initial Public Offering of equity shares by Nirman Agri Genetics Limited on SME Platform of Stock Exchange (“IPO” or “SME IPO”);
  - ix. The (Revised) Guidance Note on Reports in Entity Prospectus issued by the Institute of Chartered Accountants of India (“ICAI”); and
  - x. In terms of Schedule VI of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts, We, M/s A. S. Bedmutha & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.
9. The Proforma Restated Summary Statements and Financial information of the Entity have been extracted and prepared by the management from the Audited Financial Statements of the Entity for the period / financial years ended October 31, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 which have been approved by the Board of Directors.
10. Financial Statements of Nirman Agri Genetics Limited for the period ended October 31, 2022 have been audited by us, further the financial statements for the year ended March 31, 2022 have been audited by M/s Mayuri S. Puranik, Chartered Accountants and reaudited by us for the purpose of restatement as required under SEBI ICDR Regulations. The Financial Statements for the financial years ended March 31, 2021 was audited by M/s Chinmay Kelkar & Co., Chartered Accountants, being then Statutory Auditor of the Company for the respective years, which are all approved by the Board of Directors as on that date and upon which we have placed our reliance while reporting.
11. Financial Statements of Nirman Agri Genetics, Proprietary Concern for the period ended October 31, 2022 have been audited by us, further the financial statements for the year ended March 31, 2020, 2021 and 2022 have been audited by M/s Devendra C Belan & Associates, Chartered Accountants as on that date and reaudited by us for the purpose of restatement as required under SEBI ICDR Regulations, upon which we have placed our reliance while reporting and reaudited by us for the purpose of restatement as required under SEBI ICDR Regulations.



## 12. Proforma Financial Information as per Audited Financial Statements:

- iii. We have examined:
  - e. The attached Proforma Restated Statement of Assets and Liabilities of the entity, as at October 31, 2022, March 31, 2022, 2021 and 2020, (Annexure I);
  - f. The attached Proforma Restated Statement of Profits and Losses of the Entity for the period / financial years ended October 31, 2022, March 31, 2022, 2021 and 2020, (Annexure II);
  - g. The attached Proforma Restated Statement of Cash Flows of the Entity for the period / financial years ended October 31, 2022, March 31, 2022, 2021 and 2020, (Annexure III);

(Collectively hereinafter referred as “**Restated Proforma Financial Statements**” or “**Restated Summary Statements**”)

- iv. In accordance with the requirements of Act, ICDR Regulations as amended from time to time, Guidance Note on the reports in Entity Prospectus (Revised) issued by ICAI and the terms of our Engagement Letter, we further report that:
  - d. The “Proforma Restated Statement of Assets and liabilities” as set out in Annexure I to this report, of the Entity as at October 31, 2022, March 31, 2022, 2021 and 2020 are prepared by the Entity. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Entity, as in our opinion were appropriate.
  - e. The “Proforma Restated Statement of Profit and Loss” as set out in Annexure II to this report, of the Entity for the period / financial years ended October 31, 2022, March 31, 2022, 2021 and 2020 are prepared by the Entity. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Entity, as in our opinion were appropriate.
  - f. The “Proforma Restated Statement of Cash Flow” as set out in Annexure III to this report, of the Entity for the period / financial years ended October 31, 2022, March 31, 2022, 2021 and 2020, are prepared by the Entity. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Entity, as in our opinion were appropriate.

Based on the above we are of the opinion that “**Restated Proforma Financial Statements**” or “**Restated Summary Statements**” have been made after incorporating:

- g. There are no adjustments for any material amounts in the respective financial years have been made to which they relate, other than the adjustment for Deferred Tax and depreciation.
- h. There are no Extra-ordinary items that need to be disclosed separately in the Restated Summary Statements.
- i. There were no audit qualifications for which adjustment was required.
- j. There was no change in accounting policies, which needs to be adjusted in the Restated Proforma Financial Statements.
- k. There are no revaluation reserves, which need to be disclosed separately in the Restated Proforma Financial Statements.

**13. Other Financial Information:**

- X. We have also examined the following financial information as set out in annexure prepared by the Entity for the period / financial years ended October 31, 2022, March 31, 2022, 2021 and 2020.

PARTICULARS	ANNEXURE NO.
STATEMENT OF ASSETS AND LIABILITIES AS RESTATED	I
STATEMENT OF PROFIT & LOSS AS RESTATED	II
STATEMENT OF CASH FLOWS AS RESTATED	III

- XI. The Restated Financial Information contain all the disclosures required by the SEBI ICDR regulations and partial disclosures as required by Accounting Standards notified under section 133 of Companies Act, 2013.
- XII. We have not audited any financial statements of the Entity as of any date or for any period subsequent to October 31, 2022. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Entity as of any date or for any period subsequent to October 31, 2022.
- XIII. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Entity in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the proprietor of the Entity.
- XIV. In our opinion, the above restated financial information contained in this report read along with the are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with paragraph B, Part II of Schedule II of the Act, the SEBI Regulations, The Revised Guidance Note on Reports in Entity Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with the Entity. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.
- XV. Consequently, the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
- XVI. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report, nor should this construed as a new opinion on any of the financial statements referred to herein.
- XVII. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- XVIII. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of Nirman Agri Genetics Limited and our report should not be used, referred to or adjusted for any other purpose without our written consent.

**14. Auditor's Responsibility**

Our responsibility is to express an opinion on these Restated Proforma Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An

audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## 15. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Restated Proforma Financial Statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

As per our Report Attached

**For M/s. A. S. Bedmutha & Co.,**  
Chartered Accountants  
**Firm Registration No:** 101067W

Sd/-

CA Smruti R. Dungarwal  
Partner  
**Membership No:** 144801  
**Date:** January 04, 2023

**Place:** Nashik  
**UDIN:** 23144801BGUTSD7618

## Annexure I

## PROFORMA STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(₹ in Lakhs)

Particulars	Note No.	31.10.22	31.03.22	31.03.21	31.03.20
<b>Equity &amp; Liabilities</b>					
<b>Shareholders Fund</b>					
Share capital	I.1	256.00	1.00	1.00	0.00
Reserves and surplus incl. Proprietors Capital	I.2	256.70	304.00	32.71	17.99
<b>Total Shareholder's Fund</b>		<b>512.70</b>	<b>305.00</b>	<b>33.71</b>	<b>17.99</b>
<b>Non Current Liabilities</b>					
Long Term Borrowings	I.3	181.17	204.06	99.19	22.16
Long term provisions		0.00	1.00	0.40	0.40
Deferred Tax Liability (Net)		0.00	0.00	0.00	0.00
<b>Total Current Liabilities</b>		<b>181.17</b>	<b>205.06</b>	<b>99.59</b>	<b>22.56</b>
<b>Current Liabilities</b>					
Short Term Borrowings		0.00	0.00	0.00	0.00
Trade Payables	I.4	154.01	171.45	79.61	2.89
Other Current Liabilities	I.5	65.36	41.42	37.27	36.05
Short Term Provisions	I.6	164.60	89.64	1.92	0.00
<b>Total Current Liabilities</b>		<b>383.97</b>	<b>302.51</b>	<b>118.80</b>	<b>38.94</b>
<b>Total Equity &amp; Liability</b>		<b>1,077.84</b>	<b>812.57</b>	<b>252.10</b>	<b>79.49</b>
<b>Non-Current Assets</b>					
a) Fixed Assets					
Tangible Assets	I.7	58.57	77.67	4.42	3.73
Intangible Assets		0.00	0.00	0.00	0.00
Capital WIP		0.00	0.00	0.00	0.00
<b>Total Fixed Assets (a)</b>		<b>58.57</b>	<b>77.67</b>	<b>4.42</b>	<b>3.73</b>
b) Non Current Investments		0.00	0.00	0.00	0.00
c) Long term Loans and Advances		0.00	0.00	0.00	0.00
d) Other Non Current Assets	I.8	0.04	0.03	0.00	0.00
e) Deferred Tax Assets		0.00	0.00	0.00	0.00
<b>Total Non Current Assets</b>		<b>58.61</b>	<b>77.70</b>	<b>4.42</b>	<b>3.73</b>
<b>Current assets</b>					
Current Investments	I.9	3.50	1.75	3.39	1.17
Inventories	I.10	241.83	87.87	54.40	41.28
Trade Receivables	I.11	571.47	460.89	76.46	5.00
Cash and Cash Equivalents balances	I.12	71.03	121.82	96.31	27.10
Short Term Loans and advances	I.13	130.63	60.50	13.99	0.30
Other Current Assets	I.14	0.77	2.04	3.13	0.91
<b>Total Current Assets</b>		<b>1,019.23</b>	<b>734.87</b>	<b>247.68</b>	<b>75.76</b>
<b>Total Assets</b>		<b>1,077.84</b>	<b>812.57</b>	<b>252.10</b>	<b>79.49</b>

## Annexure II

**PROFORMA STATEMENT OF PROFIT & LOSS AS RESTATED**

(₹ in Lakhs)

Particulars	Note No.	31.10.22	31.03.22	31.03.21	31.03.20
<b>Income</b>					
Revenue from Operations	II.1	1,804.28	1,838.75	778.23	258.61
Other Income		0.00	0.00	0.00	0.17
<b>Total Revenue</b>		<b>1,804.28</b>	<b>1,838.75</b>	<b>778.23</b>	<b>258.78</b>
<b>Expenditure</b>					
Cost of Material consumed	II.2	1,434.17	1,367.43	707.11	229.27
Employee Benefit Expenses	II.3	40.56	77.72	26.96	9.63
Other Expenses	II.4	16.62	27.31	20.52	4.13
<b>Total (B)</b>		<b>1,491.35</b>	<b>1,472.46</b>	<b>754.59</b>	<b>243.03</b>
<b>Profit Before Interest, Depreciation and Tax</b>		<b>312.93</b>	<b>366.29</b>	<b>23.64</b>	<b>15.75</b>
Depreciation and Amortisation Expenses		3.42	1.86	0.79	0.69
<b>Profit Before Interest and Tax</b>		<b>309.51</b>	<b>364.43</b>	<b>22.85</b>	<b>15.06</b>
Financial Charges	II.5	0.62	1.18	0.23	0.04
<b>Profit before Taxation</b>		<b>308.89</b>	<b>363.25</b>	<b>22.62</b>	<b>15.02</b>
Provision for Taxation		78.46	90.64	4.02	1.95
Provision for Deferred Tax		-0.01	-0.03	0.00	0.00
<b>Total Taxes</b>		<b>78.45</b>	<b>90.61</b>	<b>4.02</b>	<b>1.95</b>
<b>Profit After Tax but Before Extra ordinary Items</b>		<b>230.44</b>	<b>272.64</b>	<b>18.60</b>	<b>13.07</b>
Extraordinary Items		0.00	0.00	0.00	0.00
Prior Period Items		0.00	0.00	0.00	0.00
<b>Net Profit after adjustments</b>		<b>230.44</b>	<b>272.64</b>	<b>18.60</b>	<b>13.07</b>
<b>Net Profit Transferred to Balance Sheet</b>		<b>230.44</b>	<b>272.64</b>	<b>18.60</b>	<b>13.07</b>

## Annexure III

## PROFORMA STATEMENT OF CASH FLOWS AS RESTATED

(₹ in Lakhs)

PARTICULARS	31.10.22	31.03.22	31.03.21	31.03.19
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit Before Tax	326.23	363.25	22.62	15.02
Adjusted for :				
a. Depreciation	5.54	1.86	0.79	0.69
b. Interest Expenses & Finance Cost	1.12	1.18	0.23	0.04
c. Interest & Other Income	0.00	0.00	0.00	(0.17)
d. Other Adjustment - Profits of Proprietary concern	(47.34)	0.00	0.00	0.00
<b>Operating profit before working capital changes</b>	<b>285.55</b>	<b>366.29</b>	<b>23.64</b>	<b>15.58</b>
Adjusted for :				
a. Decrease /(Increase) in Inventories	(153.96)	(33.47)	(13.12)	(41.28)
b. Decrease / ( Increase ) in trade receivable	(110.58)	(384.43)	(71.46)	(3.37)
b. Decrease / ( Increase ) in Current Investments	(1.75)	1.64	(2.22)	(1.17)
c. ( Increase ) / Decrease in short term loans and advances	(70.13)	(46.51)	(13.69)	(0.30)
d. Increase / ( Decrease ) in Trade Payables	(17.44)	91.84	76.72	2.89
e. Increase / (Decrease) in short term provisions	74.96	87.72	1.92	0.00
f. Increase / ( Decrease ) in other current liabilities	23.94	4.15	1.22	36.05
g. ( Increase ) / Decrease in Other Current Assets	1.27	1.09	(2.22)	(0.91)
<b>Cash generated from operations</b>	<b>31.86</b>	<b>88.32</b>	<b>0.79</b>	<b>7.49</b>
Income Tax Paid ( net of refunds )	81.92	88.66	4.02	1.95
<b>NET CASH GENERATED FROM OPERATION</b>	<b>(50.06)</b>	<b>(0.34)</b>	<b>(3.23)</b>	<b>5.54</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
a. (Purchase) / Sale of Fixed Assets	24.77	(75.12)	(1.48)	(4.42)
b.( Purchase) / Sale of non-current investment	0.00	0.00	0.00	0.00
c. ( Increase ) / Decrease in Long term loans and advances	0.00	0.00	0.00	0.00
d. Increase / ( Decrease ) in Long Term Provisions	(1.00)	0.60	0.00	0.40
e. ( Increase ) / Decrease in Other Non Current Assets	(0.01)	(0.03)	0.00	0.00
f. (Increase) in Misc. Expenses	0.00	0.00	0.00	0.00
g. Interest & Other Income	0.00	0.00	0.00	0.17
h. Dividend Income	0.00	0.00	0.00	0.00
<b>Net cash (used) in investing activities</b>	<b>23.76</b>	<b>(74.55)</b>	<b>(1.48)</b>	<b>(3.85)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
a. Interest & Finance Cost	(1.12)	(1.18)	(0.23)	(0.04)
b. Proceeds from share issued	(0.48)	(3.29)	(2.88)	(0.08)
c. ( Repayments ) / proceeds of long term borrowings	(22.89)	104.87	77.03	22.16
d. ( Repayments ) / proceeds of short term borrowings	0.00	0.00	0.00	0.00
<b>Net cash generated/(used) in financing activities</b>	<b>(24.49)</b>	<b>100.40</b>	<b>73.92</b>	<b>22.04</b>
<b>Net Increase / ( Decrease ) in cash and cash equivalents</b>	<b>(50.79)</b>	<b>25.51</b>	<b>69.21</b>	<b>23.73</b>
Cash and cash equivalents at the beginning of the year	121.82	96.31	27.10	3.37
<b>Cash and cash equivalents at the end of the year</b>	<b>71.03</b>	<b>121.82</b>	<b>96.31</b>	<b>27.10</b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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

*Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the ICDR Regulations and restated as described in the report of our auditor dated January 04, 2023 which is included in this Draft Prospectus under "Financial Statements". The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

### Business Overview

We are one of the organized Agri-Input Company in India engaged in the business of production, processing and marketing of high-quality hybrid seeds, Pesticides, Bio-organic for different crops like corn, sunflower, cotton, paddy, grain sorghum, etc. and have recently forayed into micronutrients and bioproducts. We also produce non-hybrid seeds, primarily for paddy.

Our Promoter and Managing Director, Pranav Kailas Bagal, is a Diploma holder in Agriculture from National Backward Krushi Vidhyapeeth, Solapur, Maharashtra. He has around six years of experience in the field of Marketing of Agriculture inputs, managing customer relations and trade terms, managing manufacturing and supply chain strategies, managing costs and establish strategic partnerships with farmers, vendors and service providers etc. He has been associated with our Company as Director since incorporation. Prior to starting our Company, he has done Agri-inputs business in Proprietary concern M/s. Nirman Agri Genetics from 2018 till the time same is taken over by our Company and before that he has worked as Marketing Manager with Shivam Krushi Sheti Udhog Kendra engaged in whole sale and retail distribution of seeds, pesticides, fertilisers and agriculture related equipments.

We have attained over four years of experience in this seed business through our Company and Proprietary concern of our Promoter and are working towards our objective of developing seeds having superior yield potential, drought tolerance, tolerance to pests and diseases etc.

We currently have production, processing and R&D facilities in Maharashtra at Nashik and Nimgul. Our research mainly focuses on developing superior hybrids in different crops like corn, cotton, sunflower, paddy, bajra, etc. All the seed varieties developed by our R&D team are marketed under the brand name of 'Nirman Agri Genetics'. We expect our R&D facilities to drive the future growth of our Company.

In the year 2022, we began to market bio-pesticides, bio-fertilizers, micronutrients, fertilizer mixtures & plant growth regulators under the name and style of "Nirman Agri Genetics". Seeds, bio-fertilizers, micronutrients etc. are related products having the same end user i.e. the farmer, and are usually sold through similar dealer networks. With a view of achieving the benefit of synergy in marketing the aforesaid products we have recently added them to our products portfolio. We believe that this addition of products would enable us to address the needs of the farmers like plant protection and nourishment. We started a processing unit at Nashik and are marketing its products in some parts of southern India and Maharashtra. We have marketing network with loyal and committed distributors / dealers in Maharashtra Madhya Pradesh & Gujarat.

Our focus is to become a leading crop solutions provider to the farmer by supplying high yielding hybrid seeds and crop management through micronutrients, bioproducts etc. For achieving this, we are engaging in research and development efforts in the areas of superior breeding programmes and biotechnology tools that will enable us to develop highly effective and differentiated hybrid seeds, micronutrients and bioproducts.

### OUR STRENGTHS

1. Hybrid Seeds for wide range of Crops
2. Founder-led experienced management team
3. Established Brand

4. Research & Development capabilities
5. Marketing and Distribution of synergistic products

## OUR BUSINESS STRATEGIES

1. Venturing in to high value segments
2. Venturing in to new Crops
3. Expansion in to new geographies
4. Expansion of marketing and distribution network

## Significant Developments Subsequent to the Last Financial Period

In the opinion of the Board of Directors of our Company, other than as mentioned below, since the date of the last financial statements disclosed in this Draft Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the business or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

### *Allotment of Equity Shares:*

Following Equity Shares were issued by our Company after the date of last financial statements i.e. October 31, 2022:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration
December 02, 2022	11,00,000	10	10	Allotment pursuant to acquisition of Proprietary Concern	Other than Cash
December 02, 2022	2,50,000	10	10	Rights Issue	Cash

### **COVID 19 Pandemic:**

An outbreak of COVID-19 was notified as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, including India, have taken preventive or protective actions such as imposing country-wide lockdowns, as well as restrictions on travel and business operations. Since May 2020 many of these measures have been lifted. Due to a government mandated lockdown in India, we had to temporarily shut down our operations from mid-March 2020 to April 2020. We have resumed operations slowly from May 2020. We proactively engaged with our clients to reassure them and to demonstrate our commitment to restart our operations and to build confidence in the safety protocols deployed at our office. As a result, we have since experienced a gradual increase in business.

### **Key factors affecting the results of operation:**

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

#### ***Competition***

Our Company faces significant competition from other companies operating in the markets in India as well as overseas in which we operate. Some of these firms have greater resources and/or a more widely known brand than we have, which may give them a competitive advantage. Our ability to grow revenues will depend on demand for our services in preference to those of its competitors.

#### ***Growth in the Indian economy***

General economic conditions in India have a significant impact on our results of operations. The Indian economy has grown rapidly over the past decade and is expected to continue to grow in the future. We believe growth in the overall economy has driven, and will drive, the underlying demand for our products

#### ***Regulatory developments***

Our Company is regulated by the Companies Act and some of its activities are subject to supervision and regulation by statutory and regulatory authorities. It is therefore subject to changes in Indian law, as well as to changes in regulation and government policies and accounting principles.



**Fluctuations in demand for our services**

Supply and demand market conditions are affected by various factors outside our control, including:

- prevailing local economic, income and demographic conditions;
- changes in applicable regulatory schemes; and
- competition from other players.

**Other factors**

1. Company's ability to successfully implement our strategy, our growth and expansion, technological changes;
2. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
3. Changes in laws and regulations relating to the segments in which we operate;
4. Our ability to attract, retain and manage qualified personnel;
5. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;

**DISCUSSION ON RESULTS OF OPERATIONS:**

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for the period ended October 31, 2022 and financial years ended March 31, 2022 and 2021.

**OUR SIGNIFICANT ACCOUNTING POLICIES**

For Significant accounting policies please refer *Significant Accounting Policies, "Annexure IV" beginning under "Auditors' Report and Financial Information of our Company" on page 101.*

**RESULTS OF OUR OPERATION****7 months period ended October 31, 2022**

(₹ lakhs)

Particulars	31.10.22	% of Total Income
<b>Income</b>		
Revenue from Operations	1,804.28	100.00
Other Income	0.00	0.00
<b>Total Revenue</b>	<b>1,804.28</b>	<b>100.00</b>
<b>Expenditure</b>		
Cost of Material consumed	1,434.17	79.49
Employee Benefit Expenses	40.56	2.25
Other Expenses	16.62	0.92
<b>Total (B)</b>	<b>1,491.35</b>	<b>82.66</b>
<b>Profit Before Interest, Depreciation and Tax</b>	<b>312.93</b>	<b>17.34</b>
Depreciation and Amortisation Expenses	3.42	0.19
<b>Profit Before Interest and Tax</b>	<b>309.51</b>	<b>17.15</b>
Financial Charges	0.62	0.03
<b>Profit before Taxation</b>	<b>308.89</b>	<b>17.12</b>
Taxes	78.45	4.35
Extra-ordinary Items	0.00	0.00
<b>Profit After Tax and Extra-ordinary Items</b>	<b>230.44</b>	<b>12.77</b>

**Revenue from operations**

The Revenue from operations was ₹ 1804.28 lakhs for the 7 months period ended October 31, 2022. The entire revenue was attributed to Sale of Agri inputs.

Other income was ₹ Nil lakhs the 7 months period ended October 31, 2022.

Hence the Total Income for the 7 months period ended October 31, 2022 was ₹ 1804.28 lakhs same as Revenue from Operations.

**Expenditure:**

The total operating expenditure aggregated to ₹ 1491.35 lakhs which was 82.66% of the Total Income.

Cost of Material consumed was ₹ 1434.17 lakhs which was 79.49% of the Total Income

Employee Benefit Expenses stood at ₹ 40.56 lakhs which was 2.25% of the Total Income.

Other Expenses stood at ₹ 16.62 lakhs which was 0.92% of the Total Income.

**Financial Charges:** We incurred Financial Charges of ₹ 0.62 lakhs, which is 0.03% of our Total Income.

**Depreciation:** We incurred Depreciation cost of ₹ 3.42 lakhs, which is 0.19% of our Total Income.

**Tax Expenses:** Tax Expenses for the period ended October 31, 2022 is ₹ 78.45 lakhs, which is 4.35% of our Total Income and

**Profits**

Our EBITDA stood at ₹ 312.93 lakhs for the 7 months period ended October 31, 2022 with the EBITDA margin of 17.34%. We recorded PBT of ₹ 308.89 lakhs and PBT margin stood at 17.12%. We recorded Net Profit after Tax of ₹ 230.44 lakhs. Our Net Profit Margin stood at 12.77%.

**Comparison of Financial Years ended March 31, 2022 and 2021**

(₹ lakhs)		
Particulars	31.03.22	31.03.21
<b>Income</b>		
<b>Revenue from Operations</b>	<b>1,348.91</b>	<b>382.21</b>
Increase/Decrease (%)	252.92%	
<b>Other Income</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Income</b>	<b>1,348.91</b>	<b>382.21</b>
Increase/Decrease (%)	252.92%	
<b>Expenditure</b>		
<b>Cost of Material Consumed</b>	<b>942.71</b>	<b>348.02</b>
Increase/Decrease (%)	170.88%	
% to Total Income	69.89%	91.05%
<b>Employee Benefit Expenses</b>	<b>50.24</b>	<b>16.47</b>

Increase/Decrease (%)	205.04%	
% to Total Income	3.72%	4.31%
<b>Other Expenses</b>	<b>13.53</b>	<b>10.32</b>
Increase/Decrease (%)	31.10%	
% to Total Income	1.00%	2.70%
<b>Total Operating Expenditure</b>	<b>1,006.48</b>	<b>374.81</b>
Increase/Decrease (%)	168.53%	
% to Total Income	74.61%	98.06%
<b>PBIDT</b>	<b>342.43</b>	<b>7.40</b>
Increase/Decrease (%)	4527.43%	
% to Total Income	25.39%	1.94%
<b>Depreciation</b>	<b>0.19</b>	<b>0.00</b>
Increase/Decrease (%)	100.00%	
% to Total Income	0.01%	0.00%
<b>Profit Before Interest and Tax</b>	<b>342.24</b>	<b>7.40</b>
Increase/Decrease (%)	4524.86%	
% to Total Income	25.37%	1.94%
<b>Financial Charges</b>	<b>0.11</b>	<b>0.01</b>
Increase/Decrease (%)	1000.00%	
% to Total Income	0.01%	0.00%
<b>Profit before Taxation</b>	<b>342.13</b>	<b>7.39</b>
Increase/Decrease (%)	4529.63%	
% to Total Income	25.36%	1.93%
<b>Tax Effect</b>	<b>86.11</b>	<b>1.92</b>
Increase/Decrease (%)	4384.90%	
% to Total Income	6.38%	0.50%
<b>Profit After Tax but Before Extra ordinary Items</b>	<b>256.02</b>	<b>5.47</b>
Increase/Decrease (%)	4580.44%	
% to Total Income	18.98%	1.43%
<b>Extraordinary Item</b>	<b>0.00</b>	<b>0.00</b>
Increase/Decrease (%)	100.00%	0.00%
% to Total Income	0.00%	0.00%

<b>Profit After Tax and after Extra ordinary Items</b>	<b>256.02</b>	<b>5.47</b>
Increase/Decrease (%)	4580.44%	
% to Total Income	18.98%	1.43%

### **Comparison of FY 2022 with FY 2021:**

Our Company is incorporated on August 19, 2020 and accordingly FY 2021 was our first year and was comprises of appx. 8 months of operations from the date of incorporation. Due to the above most of our activities have shown jump in FY 2022 primarily due to 12 months of operations and increase in activities of the Company. This reason is common across all below heads apart from the specific reasons listed under all this heads from hereon.

### **Revenue from operations**

The Revenue from operations for the FY 2022 is ₹ 1348.91 lakhs as compared to ₹ 382.21 lakhs during the FY 2021 showing an increase of 252.92%. This increase was primarily due to increase in activities of the Company as FY 2021 was our first year and was comprises of appx. 8 months of operations from the date of incorporation.

Other Income for the FY 2022 and FY 2021 was ₹ Nil lakhs. Hence the Total Income for the FY 2022 and FY 2021 was ₹ 1348.91 lakhs as compared to ₹ 382.21 lakhs respectively same as Revenue from Operations.

### **Expenditure:**

### **Cost of Material consumed**

Cost of Material consumed increased to ₹ 942.71 lakhs for FY 2022 from ₹ 348.02 lakhs for FY 2021. This increase was mainly due to increase in volume of Sales.

### **Employee Benefit Expenses**

Employee Benefit Expenses increased from ₹ 16.47 lakhs for the year ended March 31, 2021 to ₹ 50.24 lakhs for FY 2022 showing a increase of 205.04%. This increase was mainly due to increase in staff, staff salary and directors remuneration. Employee Benefit Expenses stood at 4.31% and 3.72% of Total income for FY 2021 and FY 2022, respectively.

### **Other Expenses**

Other Expenses increased to ₹ 13.53 lakhs for FY 2022 from ₹ 10.32 lakhs for FY 2021 showing an increase of 31.10%. Other Expenses was 2.70% of Total income during FY 2021 as against 1.00% during FY 2022.

### **EBIDTA**

EBIDTA increased from ₹ 7.40 lakhs for FY 2021 to ₹ 342.43 lakhs for FY 2022. During FY 2021, our Company recorded EBIDTA margin of 1.94%% of the Total income as against 25.39% during FY 2022. The increase in EBIDTA is mainly due to the economies of scale, as higher activities have helped to absorb fixed and semi variable cost in a better way.

### **Depreciation**

Depreciation on fixed assets was 0.01% of Total income during FY 2022 as compared to 0.00% during FY 2021. The total depreciation during FY 2021 was ₹ Nil lakhs and during FY 2022 it was ₹ 0.19 lakhs.

### **Financial Charges**

Financial Charges increased from ₹ 0.01 lakhs for the year ended March 31, 2021 to ₹ 0.11 lakhs for FY 2022 showing a increase of 1000%. This increase was mainly due to increase in Bank charges. Financial Charges stood at 0.00% and 0.01% of Total income for FY 2021 and FY 2022, respectively.

**Profit after Tax and restatement adjustment (PAT)**

PAT increased from ₹ 5.47 lakhs for the FY 2021 to ₹ 256.02 lakhs in FY 2022. This increase was mainly on account of increase in revenue from operations and other reasons as detailed above. During FY 2022, our Company recorded PAT margin of 18.98% as against 1.43% for FY 2021.

**Cash Flows**

The following table sets forth certain information concerning our cash flows for the periods indicated:

(₹ in lakhs)

Particulars	Period ended October 30, 2021	Fiscal 2022	Fiscal 2021
Net cash flow from operating activities	(50.22)	(4.60)	(26.73)
Net cash flow from investing activities	(39.31)	(0.73)	0.00
Net cash flow from financing activities	46.12	25.37	100.18
Net increase in cash and cash equivalents	(43.41)	20.04	73.45
Add: Balance at the beginning of the year	93.49	73.45	0.00
Cash and cash equivalents at the end of the year	50.08	93.49	73.45

**FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS:****1. Unusual or infrequent events or transactions**

An outbreak of COVID-19 was notified as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, including India, have taken preventive or protective actions such as imposing country-wide lockdowns, as well as restrictions on travel and business operations. Since May 2020 many of these measures have been lifted. Due to a government mandated lockdown in India, we had to temporarily shut down our operations from mid-March 2020 to April 2020. We have resumed operations slowly from May 2020. We proactively engaged with our clients to reassure them and to demonstrate our commitment to restart our operations and to build confidence in the safety protocols deployed at our office. As a result, we have since experienced a gradual increase in business. As a result, we have experienced a gradual increase in business in the last quarter of the fiscal 2021.

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

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

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

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

**4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known.**

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies and prices quoted by service providers.

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

Changes in revenues during the period covered above are explained in “Management’s Discussion and Analysis of Financial Condition & Results of Operations” under the subsection “Comparison of Financial Years ended March 31, 2022 and 2021” under the respective paragraphs titled “Operating Revenue”.

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

For details on the total turnover of the industry please refer to “*Industry Overview*” on page 69.

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

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

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

Our business is not seasonal in nature.

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

Particulars	Period ended October 31, 2022	Financial Year ended March 31, 2022
Customers’ contribution Top 5 (%)	26.44%	30.68%
Suppliers’ contribution Top 5 (%)	45.97%	65.21%

**10. Competitive conditions.**

Competitive conditions are as described under “*Industry Overview*” and “*Our Business*” on pages 69 and 87, respectively.

**FINANCIAL INDEBTEDNESS**

Following is a summary of our Company's outstanding borrowings as on October 31, 2022:

Sr. No.	Nature of Borrowing	Amount * (₹ in lakhs)
1.	Secured Borrowings	9.76
2.	Unsecured Borrowings	161.65
	<b>Total</b>	<b>171.41</b>

The details of loans are as under:

There are following is break up of secured borrowings:

(₹ in Lakhs)

Particulars	Sanctioned Amount	Outstanding Amount	Rate of Interest	Security	Repayment
Bank of India – Cash Credit	9.50	1.28	12% p.a.	Current Assets of the Company	Repayable on demand
Bank of India – Car Loan	9.50	8.48	7.50% p.a.	Hypothecation of Vehicle	Monthly EMI of Rs. 15497 till November 30, 2028
ICICI Bank – Insta Overdraft facility	10.00	Nil	16% p.a.	Current Assets of the Company	Repayable on demand
<b>Total</b>		<b>9.76</b>			

There are following is break up of Unsecured borrowings:

(₹ in Lakhs)

Particulars	Outstanding Amount	Rate of Interest	Repayment
Pranav Kailas Bagal*	111.65	Nil	On Demand
Chhotu Singh Girase	25.00	Nil	On Demand
Jaiprakash Lahoti	25.00	Nil	On Demand
<b>Total</b>	<b>161.65</b>		

\* Unsecured Loans from Pranav Kailas Bagal amounting to ₹ 110.00 Lakhs were converted to 11,00,000 Equity Shares to Pranav Kailas Bagal on December 02, 2022. The same amount was a consideration of Rs. 1,10,00,000/- (Rupees One Crore Ten Lakhs Only) for the acquisition of his Proprietary concern viz. M/s. Nirman Agri Genetics as per Valuation Report dated October 31, 2022 issued by CS Abhishek Chhajed, Registered Valuer, Regn. No. IBBI/RV/03/2020/13674

## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoter or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Draft Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Draft Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Draft Prospectus; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Draft Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.*

*Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.*

*Unless otherwise stated, all proceedings are pending as of the date of this Draft Prospectus. All information provided below is as of the date of this Draft Prospectus.*

*None of our Promoters or Directors are Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.*

#### LITIGATION INVOLVING OUR COMPANY:

Nil

#### LITIGATION INVOLVING THE DIRECTORS:

##### **Filed against our Directors :**

1. *State Of Maharashtra (Sections 15(1),15(2),13(1),13(2), 7, 8) vs. Navkar Hybrid Seeds Pvt. Ltd., Keyur shah, Director of Navkar Hybrid seeds Pvt. Ltd. (Navkar), Vijay R. Wagh, Responsible person of Navkar Hybrid seeds Pvt. Ltd., Nirman Agri Genetics - Proprietary Concern, Pranav Kailas Bagal - Proprietor, Shivam Krushi Sheti Udyog Kendra - Proprietary Concern and Avinash Bhimrao Bagal - Proprietor.*

Seed Inspector and District Quality Control Inspector from office of Suprintending Agriculture Officer, Dhule had drawn a sample of Cotton variety NCCH -0002 ( Brand Name – Tryambak 1009) from premises of Shivam Krushi Sheti Udyog Kendra, Dondaicha, Taluka Sindkheda, Dist. Dhule and the same was found sub-standard as per the analysis report of laboratory. As per the provisions of the Seed Act, 1966 and Seed Rule – 1968, Seed Inspector has initiated prosecution against above parties on March 30, 2021 in Hon. Court of Judicial Magistrate First Class, Dondaicha, Tal. Sindkheda, Dist. Dhule. The case is awaiting Summons and next date of hearing is March 14, 2023.

The seeds were manufactured and packed by Navkar Hybrid Seeds Pvt. Ltd. and Our Promoter, Pranav Kailas Bagal was a Co-marketer with Navkar through his Proprietary Concern – Nirman Agri Genetics.

#### LITIGATION INVOLVING OUR PROMOTERS:

##### **Filed against our Promoter :**



1. *State Of Maharashtra (Sections 15(1),15(2),13(1),13(2), 7, 8) vs. Navkar Hybrid Seeds Pvt. Ltd., Keyur shah, Director of Navkar Hybrid seeds Pvt. Ltd. (Navkar), Vijay R. Wagh, Responsible person of Navkar Hybrid seeds Pvt. Ltd., Nirman Agri Genetics - Proprietary Concern, Pranav Kailas Bagal - Proprietor, Shivam Krushi Sheti Udyog Kendra - Proprietary Concern and Avinash Bhimrao Bagal - Proprietor.*

Seed Inspector and District Quality Control Inspector from office of Suprintending Agriculture Officer, Dhule had drawn a sample of Cotton variety NCCH -0002 ( Brand Name – Tryambak 1009) from premises of Shivam Krushi Sheti Udyog Kendra, Dondaicha, Taluka Sindkheda, Dist. Dhule and the same was found sub-standard as per the analysis report of laboratory. As per the provisions of the Seed Act, 1966 and Seed Rule – 1968, Seed Inspector has initiated prosecution against above parties on March 30, 2021 in Hon. Court of Judicial Magistrate First Class, Dondaicha, Tal. Sindkheda, Dist. Dhule. The case is awaiting Summons and next date of hearing is March 14, 2023.

The seeds were manufactured and packed by Navkar Hybrid Seeds Pvt. Ltd. and Our Promoter, Pranav Kailas Bagal was a Co-marketer with Navkar through his Proprietary Concern – Nirman Agri Genetics.

#### **Filed by us :**

1. *Pranav Kailas Bagal (Prop. Nirman Agri Genetics) vs. Vijay Ganeshrao Panase (Prop. Gajanan Krupa Krushi Seva Kendra)*

Our Promoter has filed case no. S.C.C./11838/2021 under S. 138 of Negotiable Instrument Act against Vijay Ganeshrao Panase (Prop. Gajanan Krupa Krushi Seva Kendra) for recovery of Rs. 57,930/-. The next date of hearing is February 14, 2023.

2. *Pranav Kailas Bagal (Prop. Nirman Agri Genetics) vs. Yuvraj Shankarrao Dive (Prop. Shri Shyam Krushi Kendra)*

Our Promoter has filed case no. S.C.C./11839/2021 under S. 138 of Negotiable Instrument Act against Yuvraj Shankarrao Dive (Prop. Shri Shyam Krushi Kendra) for recovery of Rs. 71,900/-. The next date of hearing is February 14, 2023.

3. *Pranav Kailas Bagal (Prop. Nirman Agri Genetics) vs. Poonam Prashant Khade (Prop. RadheKrishna Krushi Seva Kendra)*

Our Promoter has filed case no. S.C.C./11837/2021 under S. 138 of Negotiable Instrument Act against Poonam Prashant Khade (Prop. RadheKrishna Krushi Seva Kendra) for recovery of Rs. 74,750/-. The next date of hearing is February 14, 2023.

#### **LITIGATION INVOLVING OUR GROUP ENTITIES: Nil**

#### **TAX PROCEEDINGS:**

A summary of tax proceedings involving our Company, our Promoter, our Directors, or our Group Companies are stated below:

<b>Nature of case</b>	<b>Number of cases</b>	<b>Amount involved (in ₹lakhs)</b>
<b><i>Company</i></b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b><i>Our Promoter</i></b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b><i>Our Directors</i></b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b><i>Our Group Companies</i></b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil

*The table above does not include those penalties, interests and costs, if any, which may be imposed or which may have been pleaded but not quantified in the course of legal proceedings, or which the Court / Tribunal otherwise has the discretion to impose. The imposition and amount of such penalties / interests / costs are at the discretion of the court / tribunal where the case is pending.*

#### **LEGAL NOTICES RECEIVED BY OUR COMPANY, OUR PROMOTER AND OUR DIRECTORS: NIL**

#### **MATERIAL FRAUDS AGAINST OUR COMPANY**

There have been no material frauds committed against our Company in the five years preceding the year of this Draft Prospectus.

#### **PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES**

There are no proceedings initiated against our Company for any economic offences.

#### **NON-PAYMENT OF STATUTORY DUES**

As on the date of the Draft Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

#### **PAST CASES WHERE PENALTIES WERE IMPOSED**

There are no past cases where penalties were imposed on our Company by concerned authorities/courts.

#### **OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

As on the date of the Draft Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

#### **PAST INQUIRIES, INSPECTIONS, OR INVESTIGATIONS**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act 2013 or any previous company law in the last five years immediately preceding the year of the Draft Prospectus in the case of Company, Promoters, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Draft Prospectus.

Further, there is no legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the promoters during the last five years immediately preceding the year of the issue of the Draft Prospectus and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

#### **OUTSTANDING DUES TO CREDITORS**

As per the Materiality Policy, our Board has approved that each creditor, to whom our Company individually owes a net aggregate amount that exceeds 5.00% of the trade payables as per the Restated Financial Statements for the most recent financial year, shall be considered as a material creditor of our Company. Our Board has also approved that dues owed by our Company to small scale undertakings as per the Restated Financial Statements for the most recent financial year shall be disclosed in a consolidated manner.

As of October 31, 2022, our Company, in its ordinary course of business, has ₹ 89.31 lakhs outstanding towards trade creditors. As per the above policy, consolidated information of outstanding dues, as at October 31, 2022, owed to small scale undertakings, material dues to trade creditors separately, giving details of number of cases and aggregate amount for such dues is as under:

(₹ in lakhs)		
Particulars	Number of cases	Amount Outstanding
Dues to small scale undertakings	-	-
Material dues to creditors	6	86.05
Other dues to creditors	1	3.26

Further, our Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, in relation to amount unpaid as at the year end together with interest payable as required under the said Act have not been furnished. Our Company does not owe any small-scale industries or any MSMEs any amounts exceeding ₹1 lakh which is outstanding for more than 30 days. There are no disputes with such entities in relation to payments to be made to them.

The details pertaining to net outstanding dues towards our creditors are available on the website of our Company at [www.nirmanagrigen.com](http://www.nirmanagrigen.com). It is clarified that such details available on our website do not form a part of this Draft Prospectus. Anyone placing reliance on any other source of information, including our Company's website, [www.nirmanagrigen.com](http://www.nirmanagrigen.com), would be doing so at their own risk.

### **Material Developments**

Except as stated in “*Management’s Discussion and Analysis of Financial Condition and Results of Operation*” on page 152, there have not arisen, since the date of the last financial statements disclosed in the Draft Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

*We have set out below a list of material approvals, consents, licences, and permissions from the governmental and regulatory authorities obtained by our Company which are considered material and necessary for the purpose of undertaking our business activities and operations. In view of the approvals listed herein, our Company can undertake the Offer and its current business activities. Unless otherwise stated, our Company has obtained all material approvals and the same are valid as of the date of this Draft Prospectus. The material approvals, consents, licenses, registrations, and permits obtained by our Company which enable it to undertake its current business activities are set forth below. Further, as on the date of this Draft Prospectus, our Company does not have any material subsidiaries.*

*The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities. For further details in connection with the regulatory and legal framework within which we operate, please refer “Key Regulations and Policies” on page 98.*

### A. Corporate / General Authorizations

Sr. No.	Authorisation granted	Issuing Authority	Registration No./CIN	Date of Issue	Valid up to
1.	Certificate of incorporation in the name of “Nirman Agri Genetics Private Limited”	Registrar of Companies, Mumbai	U01110MH2020PTC344089	August 19, 2020	Valid until cancelled
2.	Fresh Certificate of Incorporation Consequent upon Change of Name on Conversion to Public Limited Company in the name of “Nirman Agri Genetics Limited”	Registrar of Companies, Mumbai	U01110MH2020PLC344089	January 03, 2023	Valid until cancelled

### B. Issue Related Authorizations

- Our Board of Directors has, pursuant to a resolution passed at its meeting held on January 04, 2023, authorised the Issue subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary.
- The shareholders of our Company have authorised the Issue, pursuant to a special resolution under Section 62(1)(c) of the Companies Act, 2013, passed at their EGM held on January 06, 2023.
- Our Company has obtained in-principle approval dated [●], 2023 from the National Stock Exchange of India Limited.
- Our Company's International Securities Identification Number (“ISIN”) is INE[●].

### C. Tax Related and Other Business Approvals:

Sr. No.	Authorisation Granted	Issuing Authority	Registration No. / Reference No. / License No.	Applicable Act/ Regulation	Valid up to
1.	Permanent Account Number (PAN)	Income Tax Department, GoI	AAHCN1021C	Income Tax Act, 1961	Valid until cancelled
2.	Tax Deduction and Collection Account Number (TAN)	Income Tax Department, GoI	NSKN05929A	Income Tax Act, 1961	Valid until cancelled
3.	Form GST REG- 06 Certificate of Registration	Government of India and Government of Maharashtra.	27AAHCN1021C1Z3	Goods and Service Tax Act, 2017	Valid until cancelled
4.	Shops & Establishment Registration	Maharashtra Shops and Establishments (Regulation of Employment and	104327882203	Director General of Foreign Trade	1 year from date of registration

		Conditions of Service) Rules, 2018			n April 26, 2022
5.	Udyam Registration Certificate	Government of India	UDYAM -MH-23-0010664	Ministry of Micro, Small and Medium Enterprises	Valid until cancelled
6.	Certificate of Registration (Employer)	Department of Goods and Services Tax, Maharashtra	27361790176P	Maharashtra State Tax on Professions, Trades, callings and Employment Act, 1975	Valid until cancelled
7.	Certificate of Registration (Employee)	Department of Goods and Services Tax, Maharashtra	99613916400P	Maharashtra State Tax on Professions, Trades, callings and Employment Act, 1975	Valid until cancelled
8.	License to carry on Business of Sale of Cotton	Government of Maharashtra	LCCD100025	--	Valid until May 05, 2025
9.	Certificate of Registration	Directorate of Plant Protection, quarantine & Storage	CIR-184479/2021 – Forchlorfenuron (CPPU) (Liquid) (428)-61	S. 9(4) of the Insecticides Act, 1968	Valid until cancelled

**D. Intellectual Property Registration**

Our Company does not any intellectual property.

**E. Approvals applied for but not yet received / Renewals made in the usual course of business:**

Nil

**F. Material licenses / approvals for which our Company is yet to apply for / Statutory Approvals / Licenses required:**

Nil

## **OUR GROUP ENTITIES**

As per the requirements of SEBI (ICDR) Regulations, for the purpose of identification of ‘Group Companies’, our Company considered companies as covered under the applicable accounting standards, being AS 18 (as mentioned in our restated financial statements), or other companies as considered material by our Board.

Accordingly, our Board has identified following entities as our Group Companies, and other than these entities, there are no companies which are considered material by the Board to be identified as group companies. Set forth below are details of our Group Companies as on the date of this Draft Prospectus.

We do not have any group company as on the date of the Draft Prospectus. For details please refer to section titled “Our Promoters and Promoter Group” beginning on page 121 of the Draft Prospectus.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the offer

#### Corporate Approvals

- Our Board has, pursuant to its resolution dated January 04, 2023, authorized the Offer, subject to the approval of the Equity Shareholders of our Company under Section 62(1)(c) of the Companies Act 2013.
- Our Equity Shareholders have, pursuant to a resolution dated January 06, 2023, under Section 62(1)(c) of the Companies Act, authorized the Offer.

We have received in-principle approval from NSE *vide* their letter dated [●], 2023 to use the name of NSE in this Offer Document for listing of our Equity Shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.

### Prohibition by SEBI, the RBI, or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of the Promoter Group, the persons in control of our Company and the Selling Shareholders have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority or court, including any securities market regulator in any jurisdiction.

### Prohibition by RBI

Neither our Company, our Promoter, our Directors, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company, or the selling shareholder have been identified as a wilful defaulter or a fugitive economic offender and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them.

Neither our Company, our Promoter, our Directors, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India;

None of our Promoters or Directors are Fugitive Economic Offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

### Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoter, members of the Promoter Group and the selling shareholder, are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended (“SBO Rules”), to the extent applicable to each of them as on the date of this Draft Prospectus.

### Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market and there has been no action initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Prospectus.

### Eligibility for this Offer

Our Company has complied with the conditions of Regulation 230 of SEBI (ICDR) Regulations, 2018 for this Offer.

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Offer is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as we are an Issuer whose post issue paid up capital is less or equal to Rs. 10 crore and we may hence issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “*Emerge Platform of National Stock Exchange of India Limited*”).

We confirm that:

1. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Offer is 100% underwritten and that the LM to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to section titled "*General Information -Underwriting*" beginning on page 44.
2. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within four (4) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of four (4) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013.
3. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, our Lead Manager has submitted a soft copy of the Draft Prospectus to SEBI at the time of filing the Draft Prospectus with Stock Exchange. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Prospectus. In terms of Regulation 246(1) and (3) of the SEBI (ICDR) Regulations, we shall ensure that our Lead Manager submits a copy of the Offer Document along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Offer Document with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Offer Document.
4. In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we shall enter into an agreement with the Lead Manager and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the Emerge Platform of NSE. For further details of the arrangement of market making please refer to section titled "*General Information - Details of the Market Making Arrangements for this Offer*" beginning on page 44.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We confirm that we comply with all the below requirements / conditions so as to be eligible to be listed on the Emerge Platform of the NSE:

- a) Our Company was incorporated on August 19, 2020, with the Registrar of Companies, Mumbai under the Companies Act, 2013 in India.
- b) As on the date of this Draft Prospectus, our Company has a paid-up capital of ₹391.00 lakhs and the Post Issue Paid-up Equity Share Capital will be ₹596.08 lakhs which is less than ₹2,500 lakhs.
- c) Our Company has a track record of less than three years, however our Promoter Pranav Kailas Bagal owned a Proprietary Concern viz. M/s. Nirman Agri Genetics which was in existence since FY 2018 and thus our Promoter has experience of more than 3 years in the same line of business as that of our Company. Pranav Kailas Bagal shall hold 65.67% of the post issue paid up capital of our Company. Further, M/s. Nirman Agri Genetics, Proprietary Concern, is acquired by our Company vide agreement dated October 31, 2022.
- d) Our company has positive cash accruals on the basis of restated financials (earnings before depreciation Interest and tax) from operations for at least 2 financial years preceding, below are the details:

(₹ Lakhs)		
Particulars	FY 2022	FY 2021
Profit Before Tax	342.13	7.39
Add: Depreciation	0.19	0.00
Add : Interest	0.11	0.01
Less : Other Income	0.00	0.00
<b>Positive Cash Accruals (Earnings Before Depreciation Interest and Tax)</b>	<b>342.43</b>	<b>7.40</b>

- e) The Networth as per the restated financials of our Company as on October 31, 2022 is ₹447.51 lakhs.



- f) Our Company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) and no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- g) Our Company has not received any winding up petition admitted by a NCLT / Court.
- h) No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past three years against our Company.

Other Disclosures:

- i) Any material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company: **Not Applicable**
- j) Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years: **Not Applicable**
- k) We have disclosed the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation. **Complied with**
- l) In respect of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences. **Not Applicable**
- m) There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to NSE for listing on Emerge Platform of NSE.
- n) We have a website: [www.nirmanagrigen.com](http://www.nirmanagrigen.com)

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Draft Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the NSE Emerge platform. NSE is the Designated Stock Exchange.
- Our Company has entered into an agreement with both the depositories for dematerialisation of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoters is in dematerialised form.
- The requirement of firm arrangements of finance through verifiable means towards seventy five per cent of the stated means of finance for funding from the Offer Proceeds, excluding the amount to be raised through the proposed public offer or through existing identifiable internal accruals is not applicable to our Company. For details, please refer the chapter “Objects of the Issue” on page 58.

Our Company confirms that the amount for general corporate purposes, as mentioned in objects of the issue in the offer document does not exceed twenty five per cent. of the amount being raised by our Company.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- (a) Neither our Company nor our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.

- (b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- (c) Neither our Company nor our Promoters or Directors is a wilful defaulter.
- (d) Neither our Company nor our Promoters or Directors is a fraudulent borrower.
- (e) None of our Promoters or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such offer under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

Further, In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not repaid within four (4) Working Days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of four (4) Working Days, be liable to repay such application money, with an interest at the rate as prescribed under the Companies Act 2013. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, FIRST OVERSEAS CAPITAL LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**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 OFFER DOCUMENT, THE LEAD MANAGER, FIRST OVERSEAS CAPITAL LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, FIRST OVERSEAS CAPITAL LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JANUARY 17, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2018.**

**THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.**

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Prospectus with the Registrar of Companies, Maharashtra in terms of sections 26 and 33 of the Companies Act, 2013.

#### **Disclaimer from our Company, our Directors, the Selling Shareholders and the Lead Manager**

Our Company, our Directors, Selling Shareholder and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, [www.nirmanagrigen.com](http://www.nirmanagrigen.com), or the website of any affiliate of our Company and its Group Companies or of the Selling Shareholder, would be doing so at his or her own risk. It is clarified that, Selling Shareholder accept or undertake no

responsibility for any statements other than those specifically made or undertaken or confirmed by such Selling Shareholder in relation to itself and/ or their respective portion of the Offered Shares.

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU / Issue Agreement entered into between the Lead Manager and our Company dated January 06, 2023 and the Underwriting Agreement dated January 06, 2023 entered into between the Underwriter and our Company and the Market Making Agreement dated January 06, 2023 entered into among the Lead Manager, the Market Maker and our Company.

All information shall be made available by our Company, Selling Shareholder and the Lead Manager to the Applicants 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 collection centres or elsewhere.

None among our Company, the Selling Shareholder or any member of the Syndicate is liable for any failure in (i) uploading the applications due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Banks on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for our Company, selling shareholder, our Group Entities and our respective affiliates and associates 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, selling shareholder or our Group Entities or their respective affiliates or associates for which they have received, and may in 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 not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, public financial institutions as specified in Section 2 (72) of the Companies Act, 2013, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, Alternative Investment Fund, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹2,500 lakhs, pension fund with minimum corpus of ₹2,500 lakhs, National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and Insurance funds set up and managed by the Department of Posts, India, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company this Draft Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in 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 Prospectus has been filed with NSE for its observations and NSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft 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 Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the selling shareholder since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction,

including India.

### **Disclaimer Clause of the Emerge Platform of NSE Limited**

As required, a copy of the Draft Prospectus has been submitted to the Emerge Platform of NSE.

" National Stock Exchange of India Limited ("NSE") has vide its letter dated [●], 2023 given permission to "Vaidya Sane Ayurved Laboratories Limited" to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform ("SME platform") the Company's securities are proposed to be listed. NSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. NSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on NSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by NSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. NSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by NSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai".

### **Track records of past issues handled by First Overseas Capital Limited**

For details regarding the track record of the First Overseas Capital Limited, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the website of First Overseas Capital Limited at [www.focl.in](http://www.focl.in)

### **Listing**

The Equity Shares of our Company are proposed to be listed on Emerge Platform of NSE. Our Company has obtained in-principle approval from NSE by way of its letter dated [●], 2023 for listing of equity shares on Emerge Platform of NSE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the 40 to deal in and for an official quotation of the Equity Shares on the Emerge Platform is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within Six (6) Working Days of the Offer Closing Date.

The Selling Shareholder, confirms 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 the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Offer Closing Date, or within such other period as may be prescribed. If Equity Shares are not Allotted pursuant to the Offer within Six (6) Working Days from the Offer Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law. For avoidance of doubt, no liability to make any payment of interest or expenses shall accrue to 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 Selling Shareholder and to the extent of its portion of the Offered Shares.

### **Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who –*

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or*
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three 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 (a) Our Directors, the Selling Shareholder, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Banker to the Company; (b) Lead Manager, Registrar to the Issue, Banker to the Issue/ Sponsor Bank, Legal Advisor to the Issue, Underwriter to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Our Company has received written consent from the Statutory Auditor namely, M/s. A. S. Bedmutha & Co., Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the report of the Peer Reviewed Auditor on the Restated Financial Statements, dated January 04, 2023 and the statement of tax benefits dated January 04, 2023 and such consent has not been withdrawn as on the date of this Draft Prospectus.

### **Expert Opinion**

Except for the reports in the section “Financial Information of the Company” on Restated Financial Information and “Statement of Tax Benefits” on page 128 and page 67, from the Statutory Auditors, our Company has not obtained any expert opinions.

### **Previous Rights and Public Issues during the Last Five Years**

We have not made any previous rights and/or public issues during the last five years, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

### **Commission and Brokerage Paid on Previous Issues of our Equity Shares**

Since this is the Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

**Previous capital issue during the last three years by listed Group Companies and Subsidiary of our Company**

None of the Group Companies of our Company are listed. Further, none of our Group Companies have made any public or rights issue of securities in the preceding three years.

**Performance vis-à-vis objects**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

None of the Group Entities has made public issue of equity shares during the period of ten years immediately preceding the date of filing draft offer document with the National Stock Exchange of India Limited.

**Details of Fees Payable**

**Fees Payable to the Lead Manager**

The total fees payable to the Lead Manager (including underwriting fees) will be as per the Memorandum of Understanding and Underwriting Agreement among our Company and the Lead Manager, copy of which is available for inspection at the Registered Office of our Company.

**Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated January 10, 2023 a copy of which is available for inspection at our Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

**Fees Payable to Others**

The total fees payable to the Legal Advisor, Statutory Auditor and Advertisers, etc. will be as per the terms of their respective engagement letters, if any.

**Statement on Price Information of Past Issues handled by First Overseas Capital Limited:-****TABLE 1**

Sr. No.	Issue Name	Issue Size (Rs. Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1)	Party Cruisers Limited	7.75	51.00	05-03-2021	54	-63.15(-0.74)	-60.93(+3.62)	-68.06(+13.75)
2)	BEW Engineering Limited	3.97	58.00	16-09-2021	127.60	+137.63(2.67)	+311.35(-2.29)	+420.64(-5.69)
3)	Nidan Healthcare & Laboratories Limited	50.00	125.00	12-11-2021	106.35	-51.34(-2.55)	-59.75(-2.31)	-67.90(-10.33)
4)	Precision Metaliks Limited	21.93	51.00	01-02-2022	75.00	-37.19(-6.39)	-45.26(-3.21)	-60.70(-2.20)
5)	Vaidya Sane Ayurved Laboratories Limited	20.22	73.00	23-02-2022	102.00	+78.27 (+1.32)	+66.41(-5.56)	+31.50 (+2.69)
6)	Nanavati Ventures Limited	2.19	50.00	06-05-2022	50.00	-20.87(1.53)	-33.53(+1.54)	-36.51(+11.07)
7)	Veerkrupa Jewellers Limited	8.10	27.00	18-07- 2022	27.00	+198.05(9.40)	+171.35(+7.13)	N.A.
8)	Ishan International Limited	18.24	80.00	22-09- 2022	82.00	-41.25(+0.32)	-59.94(+3.29)	N.A.
9)	Varanium Cloud Limited	36.60	122.00	27-09- 2022	131.00	+92.79 (+4.27)	+687.70(6.06)	N.A.
10)	QMS Medical Allied Services Limited	56.87	121.00	11-10- 2022	128.00	+51.86(6.07)	N.A.	N.A.

**Note:-**

1. The BSE Sensex and Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case the 30th/90th/180th day is a holiday, closing price on BSE/NSE of the previous trading day has been considered.
4. In case 30th/90th/180th days, scrips are not traded then closing price on BSE/NSE of the previous trading day has been considered.

**TABLE 2: SUMMARY STATEMENT OF DISCLOSURE**

Financial Year	Total no. Of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount-180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium-180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2022-23*	5	121.99	-	1	1	3	-	-	-	1	-	-	-	-
2021-22	4	96.13	-	1	1	2	-	-	1	1	-	2	-	-
2020-21	1	7.75	1	0	0	0	0	0	1	0	0	0	0	0
2019-20	3	17.39	0	0	1	0	0	2	1	0	1	0	0	1

\* Upto date of this Prospectus



### **Outstanding Debentures or Bond Issues or Redeemable Preference Shares**

As on the date of this Draft Prospectus, our Company has no outstanding debentures, bonds, or redeemable preference shares.

### **Partly Paid-Up Shares**

As on the date of this Draft Prospectus, there are no partly paid-up Equity Shares of our Company.

### **Outstanding Convertible Instruments**

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

### **Option to Subscribe**

- a. Investors will get the allotment of specified securities in dematerialization form only.
- b. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.

### **Stock Market Data for our Equity Shares**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

### **Investor Grievances and Redressal System**

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

Further, the Applicants shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Applicants. Our Company, the Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission, or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact the Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

SEBI has launched a centralized web-based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in). Our Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

The Board has constituted a Stakeholders Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For further details, please refer to the “*Our Management*” on page 110.

Our Company has appointed CS Kamlesh Yadav as the Company Secretary and Compliance Officer and he may be

contacted at the following address:

**Kamlesh Yadav**

Vedant Apartment,  
Near Reliance Shopee,  
Dindori Road,  
Panchavati, Nashik – 422 003  
Maharashtra, India  
Tel: +91 253 2943101  
E-mail: [cs@nirmanagrigen.com](mailto:cs@nirmanagrigen.com)  
Website: [www.nirmanagrigen.com](http://www.nirmanagrigen.com)

Investors can contact the Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc.*

As on the date of this Draft Prospectus, there are no pending investor complaints. Our Company has not received any investor complaint in the three years prior to the filing of this Draft Prospectus.

Our Company, Lead Manager and the Registrar accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

The Selling Shareholder, has authorised the Company Secretary and Compliance Officer of the Company, and the Registrar to the Offer to deal with, on its behalf any investor grievances received in the Offer in relation to its respective portion of the Offered Shares.

Our Group Companies and our Subsidiaries are not listed on any stock exchange.

**Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of nonroutine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

## SECTION VIII – ISSUE RELATED INFORMATION

### TERMS OF THE OFFER

*All Applicants should review the General Information Document for Investing in Public Offer prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations 2015 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the website of the Stock Exchange and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Offer.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

#### **The Offer**

The Offer comprises of a Fresh Issue by our Company.

#### **Ranking of Equity Shares**

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. The Allottees in receipt of Allotment of Equity Shares under this Offer will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer “Main Provisions of Articles of Association” on page 212.

#### **Authority for the Issue**

This Offer has been authorized by a resolution of the Board passed at their meeting held on January 04, 2023 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on January 06, 2023.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 1956 and Companies Act, 2013, Article of Association, the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 any other rules, regulations or guidelines as may be issued by Government of India in connection to recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, in cash as per the provisions of the Companies Act and our Articles of Association.

#### **Face Value and Offer Price per Share**

The face value of the Equity Shares is ₹10.00 each and the Offer Price is ₹99.00 per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under “Basis for Offer Price” on page 64. At any given point of time there shall be only one denomination for the Equity Shares.

### **Compliance with SEBI (ICDR) Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, the terms of the listing agreements with the Stock Exchange(s) and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer “Main Provisions of Articles of Association” on page 212.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/authorities in Mumbai, India.

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint – tenants with benefits of survivorship.

### **Allotment only in Dematerialised Form**

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories, and the Registrar to the Offer:

- Agreement dated [●], 2023 amongst NSDL, our Company and the Registrar to the Offer; and
- Agreement dated [●], 2023 amongst CDSL, our Company and the Registrar to the Offer.

### **Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of 1,200 Equity Shares and the same may be modified by the Emerge Platform of NSE from time to time by giving prior notice to investors at large.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013 the sole or first Applicant, along with other joint Applicants,

may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

#### **Minimum Number of Allottees**

Further in accordance with the Regulation 268 of SEBI (ICDR) Regulations, the minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Offer and the monies blocked by the SCSBs and sponsor bank, shall be unblocked within 4 working days of closure of Offer.

#### **Period of the Subscription list of the Public Issue**

<b>Event</b>	<b>Indicative Date</b>
Offer Opening Date	[●]
Offer Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of Refunds	[●]
Credit of Equity Shares to Demat Accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholder and the Lead Manager. Whilst our Company and the Selling Shareholder shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. The Selling Shareholder confirm that they shall extend complete co-operation required by our Company and the Lead Manager for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Offer Closing Date, or within such other period as may be prescribed.

#### **Minimum Subscription**

This Offer is not restricted to any minimum subscription level. This Offer is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Offer through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer and Selling shareholder shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount,

our Company and the 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 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 Selling Shareholder and to the extent of its portion of the Offered Shares.

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “*General Information – Underwriting*” on page 44.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

### **Arrangements for Disposal of Odd Lots**

The trading of the equity shares will happen in the minimum contract size of 1,200 Equity Shares. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of NSE.

### **Option to receive Equity Shares in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, the Equity Shares in the Issue shall be allotted only in dematerialised form. Further, as per the SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchange.

### **Migration to Main Board**

In accordance with the National Stock Exchange of India Limited Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the Emerge Platform of the NSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of BSE Limited as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations. Our Company may migrate to the main board of NSE from the SME Platform on a later date subject to the following:

- a) If the Paid up Capital of the company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b) If the Paid up Capital of the company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares issued and transferred through this Offer are proposed to be listed on the NSE Emerge with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE Limited. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page 42 of this Draft Prospectus.

### **As per the extent Guideline of the Government of India, OCBs cannot participate in this Offer.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be

subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **New Financial Instruments**

The Issuer Company is not issuing any new financial instruments through this Offer.

#### **Application by Eligible NRI"s, FPI"s, VCF"s, AIF"s registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, Promoters' minimum contribution as provided in "*Capital Structure*" on page 49, and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer "*Main Provisions of Articles of Association*" on page 212.

## ISSUE STRUCTURE

This Offer is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed more than ten crores rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the Emerge Platform of NSE Limited). For further details regarding the salient features and terms of such an issue please refer "*Terms of the Issue*" and "*Issue Procedure*" on page 183 and 188, respectively.

**Following is the Issue structure:**

**INITIAL PUBLIC OFFERING OF UP TO 20,50,800 EQUITY SHARES OF ₹10 EACH ("EQUITY SHARES") OF NIRMAN AGRI GENETICS LIMITED ("NIRMAN" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹99.00 PER EQUITY SHARE (THE "OFFER PRICE"), AGGREGATING TO ₹ 2030.29 LAKHS ("THE OFFER"), OF THE OFFER, 1,04,400 EQUITY SHARES AGGREGATING TO ₹103.36 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE OFFER LESS THE MARKET MAKER RESERVATION PORTION I.E. OFFER OF 19,46,400 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH AT AN OFFER PRICE OF ₹99.00 PER EQUITY SHARE AGGREGATING TO ₹1,926.94 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER WILL CONSTITUTE 34.40% AND 32.65%, RESPECTIVELY OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

Particulars	Net Issue to Public <sup>^</sup>	Market Maker reservation portion
<b>Number of Equity Shares</b>	19,46,400 Equity Shares	1,04,400 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.98% of the Issue Size  (50% for the Retail Individual Investors and the balance 50% for Other than Retail Individual Investors).	5.02% of the Issue Size
<b>Basis of Allotment/Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of 1,200 Equity Shares and Further allotment in multiples of 1,200 Equity Shares each.  For further details please refer to the section titled " <i>Issue Procedure</i> " on page 191.	Firm Allotment
<b>Mode of Application*</b>	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for UPI Applicants using Syndicate ASBA).	
<b>Minimum Application Size</b>	<b><u>For QIB and NII:</u></b> Such number of Equity Shares in multiples of 1,200 Equity Shares at an Issue price of ₹99.00 each such that the Application Value exceeds ₹2,00,000  <b><u>For Retail Individuals:</u></b> 1,200 Equity Shares at an Issue price of ₹99.00 each.	1,04,400 Equity Shares at an Issue price of ₹99.00 each.
<b>Maximum Application</b>	<b><u>For QIB and NII:</u></b> The maximum application size is the Net Issue to public i.e. 19,46,400 Equity Shares, subject to limits the investor has	1,04,400 Equity Shares at an Issue price of ₹99.00 each.



Particulars	Net Issue to Public <sup>^</sup>	Market Maker reservation portion
	to adhere under the relevant laws and regulations as applicable.  <b><u>For Retail Individuals:</u></b> 1,200 Equity Shares at an Issue price of ₹99.00 each.	
<b>Mode of Allotment</b>	Dematerialized Form	Dematerialized Form
<b>Trading Lot</b>	1,200 Equity Shares	1,200 Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations.
<b>Terms of payment</b>	The entire Application Amount will be payable at the time of submission of the Application Form.	

*This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer 'Terms of the Issue' on page 183.*

\*As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price offer the allocation in the net offer to the public category shall be made as follows:

- d) Minimum fifty percent to retail individual investors; and
- e) Remaining to:
  - i. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- f) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

*If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.*

*\* In case of joint Application, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.*

### **Withdrawal of the Issue**

The Company and the selling shareholder in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Offer Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of NSE for listing of Equity Shares offered through this Offer on its SME Platform, which the Company shall apply for after Allotment and,
2. The final ROC approval of the Prospectus after it is filed with the ROC.

In case, the Company wishes to withdraw the Issue after Offer Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

**Issue Programme**

<b>Offer Opening Date</b>	[●], 2023
<b>Issue Closing Date</b>	[●], 2023

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time).

Standardization of cut-off time for uploading of Applications on the Issue Closing Date:

- A standard cut-off time of 3.00 p.m. for acceptance of Applications.
- A standard cut-off time of 4.00 p.m. for uploading of Applications received from other than Retail Individual Applicants.
- A standard cut-off time of 5.00 p.m. for uploading of Applications received from only Retail Individual Applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of Applications received up to the closure of timings and reported by Lead Manager to NSE within half an hour of such closure.

It is clarified that Applications not uploaded, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per physical application form of that Applicant may be taken as the final data for the purpose of Allotment.

Applications will be accepted only on Working days i.e. all days excluding Saturdays, Sundays, and public holidays, on which the commercial banks in the city as notified in the offer document are open for business.

## ISSUE PROCEDURE

*All Applicants should review the General Information Document for Investing in Public Issues which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document is available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

*Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.*

*Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft Prospectus/Prospectus before investing in the Issue.*

*Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with 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 Prospectus.*

*Further, our Company and the Lead Manager do not accept any responsibility for any adverse occurrences consequent to the implementation of the UPI mechanism for application in this Offer.*

*The lists of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbroker, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that has been notified by National Stock Exchange of India Limited to act as intermediaries for submitting Application Forms are provided on <https://www.nseindia.com>.*

SEBI through its circular no. (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (—UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (—UPI Phase II). 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 Applications by RIIs through Designated Intermediaries (other than SCSBs), issued by SEBI, 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 will continue 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, has decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by RIIs (“**UPI Phase III**”) and modalities of the implementation of UPI Phase III maybe notified and made effective subsequently, as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, 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 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Draft Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI applicants in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹5.00 lakhs shall use the UPI Mechanism.

*Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with 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 Draft Prospectus.*

*Further, our Company and the Lead Manager are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.*

### **Phased implementation of Unified Payments Interface**

SEBI has issued a **UPI Circulars** in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase has become applicable from January 1, 2019 and will continue till June 30, 2019. Under this phase, a Retail Individual Applicant would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

**Phase II:** This phase commenced on completion of Phase I i.e. with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to be three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Issue.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

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 ₹ 500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, 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, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager.

**FIXED PRICE ISSUE PROCEDURE**

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process. As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue the allocation in the net offer to the public category shall be made as follows:

- g) Minimum fifty percent to retail individual investors; and
- h) Remaining to:
  - i. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- i) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spillover from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN, UPI ID (in case of RIBs using the UPI mechanism) and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange.**

**APPLICATION FORM**

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the NSE ([www.nseindia.com](http://www.nseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Offer Opening Date.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected. Retail Individual Investors using UPI mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants. ASBA Applicants are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount which can be blocked by the SCSB.

Category	Colour <sup>(1)</sup>
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FII's, FVCI's, etc. applying on a repatriation basis (ASBA)	Blue

*(1) Excluding electronic Application Form.*

RIIs and other Individual investors using UPI mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants. ASBA Applicants are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount which can be blocked by the SCSB.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. An Investor, intending to subscribe to this Offer, shall submit a completed application form to any of the following Intermediaries (Collectively called “Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained.
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity)('broker')
4.	A depository participant ('DP')(whose name is mentioned on the website of the Stock Exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent ("RTA")(whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors and other Individual Investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as 'Intermediaries'), and intending to use UPI, shall also enter their UPI ID in the application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as proof of having accepted the application form, in physical form or electronic mode respectively.

The upload of the details in the electronic bidding system of the stock exchange will be done by:

<b>For the applications submitted by the investors to SCSB</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the Bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of the Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment	<p>After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).</p> <p>Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.</p>

Stock exchange(s) shall validate the electronic details with depository's records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID, Bank code and Location code, in the application details already uploaded.

For ASBA Applicants using UPI mechanism, the Stock Exchange shall share the application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to ASBA applicants for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate ASBA applicants (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Bankers to the Issue) 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 Bankers to the Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue 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.

### **Who Can Apply?**

1. Indian nationals' resident in India, who are not minors (except through their Legal Guardians), in single or joint names (not more than three);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First Applicant: Kamlesh Yadav Hindu Undivided Family applying through Kamlesh Yadav, where Kamlesh Yadav is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in equity shares;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;
6. Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, cooperative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual under the QIB portion;
8. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Applications portion;
9. Venture Capital Funds registered with SEBI;
10. Foreign Venture Capital Investors registered with SEBI;
11. Eligible Qualified Foreign Investors;
12. Foreign Nationals and other non-residents (subject to eligibility norms specified in SEBI FPI Regulations, 2014 and other applicable provisions);
13. Multilateral and bilateral development financial institutions;
14. State Industrial Development Corporations;
15. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorized under their respective constitutions to hold and invest in equity shares;
16. Scientific and/or industrial research organizations authorized in India to invest in equity shares;
17. Insurance companies registered with Insurance Regulatory and Development Authority;

18. Provident Funds with a minimum corpus of ₹250 million and who are authorised under their constitution to hold and invest in equity shares;
19. Pension Funds with a minimum corpus of ₹250 million and who are authorised under their constitution to hold and invest in equity shares;
20. Limited liability partnerships;
21. National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the Government of India, published in the Gazette of India;
22. Nominated Investor and Market Maker;
23. Insurance funds set up and managed by the army, navy, or air force of the Union of India and by the Department of Posts, India;
24. Any other person eligible to Apply in this Offer, under the laws, rules, regulations, guidelines, and policies applicable to them and under Indian laws.
25. As per the existing policy of the Government of India, OCBs cannot participate in this Offer. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.
26. Applications not to be made by:
  1. Minors (except through their Guardians)
  2. Partnership firms or their nominations
  3. Overseas Corporate Bodies

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

#### **Maximum and Minimum Application Size**

##### **a) For Retail Individual Applicants:**

The Application must be for a minimum of 1,200 Equity Shares and in multiples of 1,200 Equity Shares thereafter, so as to ensure that the Application Amount payable by the Applicant does not exceed ₹2,00,000. In case of revision of the Application, the Retail Individual Applicants have to ensure that the Application Amount does not exceed ₹2,00,000.

##### **b) For Other Applicants [Non-Institutional Applicants and Qualified Institutional Buyer(s) (QIB)]:**

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹2,00,000 and in multiples of 1,200 Equity Shares thereafter. Application cannot be submitted for more than the Issue Size. However, the maximum application size by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Application at any stage and are required to pay the entire Application Amount upon submission of the Application.** Under the existing SEBI regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Application, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

The above Information is given for the benefits of the Applicants. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus.



### **Participation by associates and affiliates of the Lead Manager and the Syndicate Members**

The Lead Manager shall not be allowed to subscribe to this Offer in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue in non Retail Portion, where the allocation is on a proportionate basis and such subscription may be on their own account or on the behalf of their clients.

### **Option to subscribe in the Issue**

- a) As per Section 29(1) of the Companies Act, 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting of specified securities in physical form. However, they may get the specified securities re-materialized subsequent to allotment.
- b) The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c) A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable laws.

### **Applications by Mutual Funds**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to reject the Application without assigning any reason thereof.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in 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.

### **Applications by Eligible NRIs**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (NRE) accounts, or Foreign Currency Non-Resident (FCNR) Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (NRO) accounts for the full application amount, at the time of the submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

### **Application by FPIs (including FIIs)**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, 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 that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

#### **Applications by SEBI registered Venture Capital Funds, Alternative Investment Fund (AIF) and Foreign Venture Capital Investors**

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the “**SEBI VCF Regulations**”) and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the “**SEBI AIF Regulations**”) prescribe, amongst others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends, and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

### **Applications by Limited Liability Partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited Liability Partnerships can participate in the Issue only through the ASBA Process.

### **Applications by Insurance Companies**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (“**IRDA Investment Regulations**”), as amended, as amended, are broadly set forth below:

- 1) Equity shares of a company: the least of 10.00% of the investee company’s subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;
- 2) The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) The industry sector in which the investee company belongs to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **Applications under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹25 Crores a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason, therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a). With respect to applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (b). With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (c). With respect to applications made by provident funds with minimum corpus of ₹25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the lead manager may deem fit.

***Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.***

***The above information is given for the benefit of the Applicants. The Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.***

#### **Applications by Provident Funds / Pension Funds**

In case of Applications made by provident funds with minimum corpus of ₹25 crores (subject to applicable law) and pension funds with minimum corpus of ₹ 25 crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

#### **Applications by Banking companies**

In case of Applications 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 Application Form, failing which our Company reserves the right to reject any Application without assigning any reason, therefore.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the “**Banking Regulation Act**”), and Master Circular – Para-banking Activities dated July 1, 2015 is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

#### **Applications by Self Certified Syndicate Banks (SCSBs)**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

#### **Information for the Applicants**

1. Our Company and the Lead Manager shall declare the Offer Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Prospectus with the RoC at least 3 (three) days before the Offer Opening Date.
3. Copies of the Application Form along with Abridged Prospectus and copies of the Prospectus will be available with the Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.
4. Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.

5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account or alternatively, the Retail Individual Applicants wishing to apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected.
7. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
8. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
9. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange. Designated Intermediaries do not match with PAN, the DP ID, and Client ID available in the Depository database, the Application Form is liable to be rejected.

#### **ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA) APPLICANTS**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

#### **Method and Process of Applications**

1. Applicants are required to submit their applications during the Issue Period only through the Designated Intermediaries.
2. The Issue Period shall be for a minimum of three (3) Working Days and shall not exceed ten (10) Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten (10) Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before

entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Offer.

5. The Designated Intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:

For the applications submitted by the investors to SCSB	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the Bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of the Issue.

6. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
7. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
8. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
9. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdraw/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

### Terms of payment

The entire Issue price of ₹ 99.00 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs or Sponsor Bank to unblock the excess amount paid on Application to the Applicants.

SCSBs or Sponsor Bank will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs or Sponsor Bank.

The applicants should note that the arrangement with Banker to the Issue or the Registrar or Sponsor Bank is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

### Payment mechanism for Applicants

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions

to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. 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 ₹ 500,000, may use UPI.

### **Electronic Registration of Applications**

The Designated Intermediary may register the Applications using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities on a regular basis before the closure of the issue.

On the Issue Closing Date, the Designated Intermediaries may upload the applications till such time as may be permitted by the Stock Exchange.

c) Only Applications that are uploaded on the Stock Exchange Platform are considered for allocation/Allotment. In the Phase 1, the Designated Intermediaries are given till 1:00 pm on the day following the Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange send the application information to the Registrar to the Issue for further processing.

### **Other Instructions**

#### **Joint Applications in the case of Individuals**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

#### **Multiple Applications**

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- i. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature, and father/ husband's name to determine if they are multiple applications.
- ii. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- iii. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of “know your client” norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

### **Permanent Account Number or PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (“PAN”) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

### **Allocation of Equity shares**

- 1) The Offer is being made through the Fixed Price Process wherein 1,04,400 Equity Shares shall be reserved for Market Maker. 9,73,200 Equity Shares having face value of ₹10.00 each at a price of ₹99.00 per Equity Share aggregating ₹963.47 lakhs will be available for allocation to Retail Individual Investors. 9,73,200 Equity Shares having face value of ₹10.00 each at a price of ₹99.00 per Equity Share aggregating ₹963.47 lakhs will be available for allocation to other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.
- 2) Under-subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines, and approvals.
- 4) In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

### **Signing of Underwriting Agreement**

Vide an Underwriting Agreement dated January 06, 2023 this Offer is 100% Underwritten.

### **Filing of the Prospectus with the ROC**

The Company will file a copy of the Prospectus with the ROC in terms of 26 of the Companies Act, 2013.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering the Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation.

### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. The Lead Manager or the Registrar to the Issue will dispatch an Allotment



Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding, and irrevocable contract for the Allotment to such Applicant.

3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

### **Designated Date**

On the Designated Date, the Registrar to the Offer shall instruct the SCSBs or Sponsor Bank to unblock funds represented by allocation of Equity Shares from ASBA Accounts into the Public Offer Account.

## **GENERAL INSTRUCTIONS**

### **Do's:**

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application.
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process the SCSBs where the Applicant has a bank account or a UPI ID linked Bank Account, the Registered Broker (at the Broker Centre's), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form and in case of Retail Individual Applicants applying through UPI Channel, ensure that you have mentioned the correct UPI ID;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- Ensure that you have correctly signed the authorization/ undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account/ UPI ID linked Bank Account, as the case may be, equivalent to the Application Amount mentioned in the Application Form;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

### **Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;
- Do not apply on another Application Form after you have submitted an application to the Designated Intermediary;
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;

- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs.2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- 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-issue or post issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Further, helpline details of the Lead Manager pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 are set forth in the table below:

Name of the Lead Manager	Helpline (email)	Telephone
First Overseas Capital Limited	<a href="mailto:investorcomplaints@focl.in">investorcomplaints@focl.in</a>	+91 22 4050 9999

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchange, along with the Lead Managers and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. The allotment of Equity Shares to applicants other than to the Retail Individual Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

#### **Instructions for Completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchange, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial), enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com)

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID.

### **Applicant's Depository Account and Bank Details**

Please note that, providing bank account details, PAN Nos, UPI ID (if applicable), Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment shall be made within three (3) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

## Impersonation

*Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

*"Any person who—*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447 of Companies Act, 2013 and shall be treated as Fraud."*

## Mode of Refunds

a) **In case of ASBA Applicants:** Within 6 (six) Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application, for any excess amount blocked on Application, for any ASBA application withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer

b) In the case of Applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

c) In case of Other Investors: Within six Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Offer may obtain from the depositories, the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

## Mode of making refunds for Applicants other than ASBA Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

(i) NECS - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder as obtained from the Depository;

(ii) NEFT - Payment of refund may be undertaken through NEFT wherever the branch of the Bidders' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Bidders through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(iii) Direct Credit – Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

(iv) RTGS – Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the bidder, DP ID and beneficiary account number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic

details including address, Bidders account details, IFSC code, MICR code and occupation (hereinafter referred to as “Demographic Details”). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the Lead Manager or the Registrar to the Issue or the Escrow Collection Bank nor the Company shall have any responsibility and undertake any liability for the same;

(v) Please note that refunds, on account of our Company not receiving the minimum subscription, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank. For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Bidders may refer to Prospectus.

#### **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer shall make the Allotment within the period prescribed by SEBI. The Issuer shall pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within such times as maybe specified by SEBI.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. 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.

#### **Undertakings by our Company**

We undertake as follows:

- i. That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- ii. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within the period prescribed by the Board;
- iii. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- iv. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- v. That no further Issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.;
- vi. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- vii. That if our Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- viii. If our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Offer;

## **UTILIZATION OF THE FRESH ISSUE PROCEEDS**

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Offer Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and

## 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. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (*earlier known as Department of Industrial Policy and Promotion*) (“**DPIIT**”), issued the FDI Policy, which is effect from October 15, 2020, which subsumes 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 FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

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 FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Instruments Rules, 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, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non-Debt Instruments 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. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Issue Period.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## SECTION IX – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Subject as hereinafter provided, the regulations contained in Table ‘F’ in the Schedule I to the Companies Act, 2013 shall apply to the Company as so far as they are not inconsistent with any of the provisions contained in these regulations or modifications thereof and only to the extent that there is no specific provisions in these regulations. In case of any conflict between the express provisions herein contained and the incorporated Regulations of ‘Table F’, the provisions herein shall prevail.

### PRELIMINARY

1. I) Regulations in Table “F” in the First Schedule to the Companies Act, 2013 shall apply to this Company except in so far as they are not inconsistent with any of the provisions contained in these Regulations and except in so far as they are herein after expressly or impliedly excluded or modified.

### INTERPRETATION

2. In these Regulation(s) unless the context otherwise requires, the words and expressions contained shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

\*‘The Company’ or ‘This Company’ means “**NIRMAN AGRI GENETICS LIMITED**”

‘**The Act**’ means The Companies Act, 2013, or any statutory modification or reenactment thereof for the time being in force.

‘**The Seal**’ means the common seal of the company.

‘**The Director**’ means the director being of the company and includes any person occupying the position of a director by whatever name called as defined under section 2(34) of the Companies Act, 2013.

‘**Month**’ means the calendar month.

‘**The Office**’ means the Registered Office for the time being of the Company.

‘**The Presents**’ means these Articles of Association or originally formed or as altered from time to time by special resolution.

‘**Dividend**’ includes interim dividend and bonus.

‘**Writing**’ shall include printing and lithography and any other mode of representing or reproducing words in visible form.

‘**The Board**’ means the Board of directors of the company.

‘**The Managing Director**’ means Managing Director of the company, as defined under section 2(54) of the Companies Act, 2013.

‘**The Register**’ means the register of members of the company required to be kept under section 88 of the Companies Act, 2013.

The marginal notes here shall not affect the construction thereof.

Words imparting the singular number include, where the context admits or requires, the plural number and vice versa.

Save as aforesaid any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

### GENERAL AUTHORITY

3. Where in the Act, it has been provided that a company shall have any right, privileges or authority or that a company could carry out any transaction only if the company is so authorized by its Articles in every such case, this



regulation hereby authorizes and empowers the company to have such right, privilege or authority and to carry out such transactions as have been permitted by the Act, without there being any specific regulation in that behalf herein provided.

#### **SHARE CAPITAL**

4. The Authorized Share Capital of the Company is such sum as may be prescribed from time to time in the clause 5<sup>th</sup> of Memorandum of Association of the Company with power to reduce, increase, and subdivide into several classes and to attach thereto special rights or privileges, the capital as per provisions of the Act.

#### **PREFERENCE SHARES**

5. Subject to the provisions of the Act, the Rules made thereunder and any statutory modifications thereof, the Company has power to issue redeemable preference shares.

#### **ALTERATION OF SHARE CAPITAL**

6. The Company in general meeting may, from time to time; by Ordinary resolution increase its authorized share capital by such sums to be divided into shares of such amount as may be specified in the resolution.

7. Subject to the provisions of Section 61 of the Act, the company may from time to time in its general meeting consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

#### **REDUCTION OF SHARE CAPITAL**

8. The Company may from time to time, by Special resolution reduce its share Capital in any manner for the time being authorized by law. The capital may be paid off on the footing that it may be called up again or otherwise or adjusted against the accumulated losses of the Company.

#### **ESOP OR SWEAT EQUITY**

9. The Company may, subject to provisions of the Act and Rules made thereunder as may be in force, from time to time, issue shares and other securities under Employees Stock Options, Employees Stock Purchase Scheme and/or by way of Sweat Equity.

#### **VARIATION OF SHAREHOLDERS' RIGHTS**

10. The rights of the holders of any class of shares for the time being forming part of the capital of the Company may be modified, varied, affected, extended or surrendered either with the consent in writing of the holders of three fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of such class.

#### **BUY BACK OF SECURITIES**

11. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act, the Rules made thereunder and any statutory modifications thereof, or any other law for the time being in force, the company may purchase its own shares or other specified securities.

12. Notwithstanding anything contained in these articles, but subject to the provisions of the Act and all other applicable provisions of the Law, as may be in force at any time and from time to time, the Company may acquire, purchase, hold, resale any of its fully paid or redeemable shares and may make payment out of funds at its disposal for and in respect of such acquisition/ purchase on such terms and conditions at such times as the Board may in its discretion and deem fit and such acquisition/ purchase shall not be construed as reduction of share capital of the Company.

## SHARES AND CERTIFICATES

### SHARES IN THE CONTROL OF BOARD OF DIRECTORS

13. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

14. Subject to the provisions of the Act, and these Articles, the Directors may allot and issue shares in the Capital of the Company against payment or part payment for any property sold or goods transferred or machinery supplied or for service rendered to the Company or the conduct of its full business. The shares so allotted may be issued as fully paid up shares or partly paid up shares and if so, issue shall be deemed to be fully paid up shares or partly paid up shares.

### SHARES HELD JOINTLY

15. If the shares are held in the name of two or more persons jointly, then the person first named in the Register of Members shall for all the purposes, except voting and transfer, be deemed to be sole holder thereof. But the joint holders are severally and jointly liable for all the other purposes.

### SHARES HELD IN TRUST

16. Subject to the provisions of the Act, the company shall not be bound to recognize any person as holding any share upon any trust or having any equitable, contingent, future or partial interest (even when having notice thereof) in any share or part thereof except as absolute right as the registered shareholder.

17.

i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

- a) one certificate for all his shares without payment of any charges; or
- b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

ii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

iii. In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

18.

I. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

II. The provisions of Articles (18) and (19) shall *mutatis mutandis* apply to debentures of the company.

### NOMINATION OF SHARES

19.

I. Subject to the provisions of section 72 of the Companies Act, 2013 every shareholder or debenture holder of the company, may at any time, nominate in the prescribed manner a person to whom his/her shares in, or debentures of the company shall vest in the event of his/her death.

II. Where the shares in, or debentures of the company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures of the company as the case may be, shall vest in the event of the death of all the joint holders.

III. Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such shares in or debentures of the company where the nomination made in the prescribed manner purports to confer on any of the right to vest the shares in or debentures of the company, the nominee shall, on the death of the shareholder or debenture holder, as the case may be, on the death of the joint holders, become entitled to all the rights in such shares or debentures or as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other person, unless the nomination is varied or cancelled in the prescribed manner.

IV. Where the nominee is minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint, in the prescribed manner, any person to become entitled to shares in or debentures of the company, in the event of his/her death, during the minority.

#### **LIEN**

20.

(1) The company shall have a first and paramount lien –

a) On every share (not being a fully-paid share), for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

b) On all shares (not being fully-paid shares) standing registered in the name of a single person, for all moneys presently payable by him or his estate to the company :

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(2) The company's lien, if any, on a share shall extend to all dividends payable in respect of such shares.

#### **CALLS**

21. The Board may from time to time subject to the terms on which the shares may have been issued or allotted by resolution make such calls of the nominal value or share premium as it thinks fit, upon the members in respect of the money unpaid on their shares made payable at fixed time and places, after 15 days' notice.

22. A Call shall be deemed to have been made from the date of the Board resolution, to the member whose name is on the Register of Members on that particular date as may be decided by the Directors.

23. The Board may at its discretion revoke or postpone the call, or may extend the date of payment thereof.

24. The Board may, if decided, receive calls in advance without any extra privilege about voting, and the advance call shall carry interest rate as may be decided by the Board.

25. The Board may, accept from any member, the whole or a part of the amount remaining unpaid on any shares held by him, even if no part of that amount has been called up.

#### **FORFEITURE OF SHARES**

26.

I. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

II. The notice aforesaid shall --

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

III. 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.

- (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
  - (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- IV.(i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
- V.(i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- VI. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

## TRANSFER OF SHARES

27. A share may be transferred by a member or other person entitled to transfer to any member/ members selected by the transferor but save as provided by these Articles, no share shall be transferred to a person who is not a member so long as any member or any person selected by the Directors as one to whom it is desirable in the interest of the Company to admit to membership, is willing to purchase the same at the fair value mentioned in Article 31 hereof.
28. Every share specified in any transfer notice given to the Board of Directors of the Company pursuant to Article 29 hereof shall be offered to the member in such order as shall be determined by the Directors and in such manner as the Directors think fit. If no member is ready and willing to take up such share, it may be offered to any person selected by the Directors as one to whom it is desirable in the interest of the Company to admit to the membership.
29. The person proposing to transfer any shares (hereinafter called “the proposing Transferor”) shall give notice in writing (hereinafter called “The Transfer Notice”) to the Board of Directors of the Company that he desires to transfer the same mentioning therein the price that he expects for his shares. Such notice shall constitute the Board of Directors of the Company his Agent for the sale of shares to a member of the Company or person selected by the Directors as aforesaid at a fair value to be agreed upon between the proposing transferor and the purchaser and in default of such agreement to be fixed by the Auditors of the Company as provided in Article 31 hereof. The Transfer notice may include several shares and in such case shall operate as if it were a separate notice in respect of each share. The Transfer Notice once given shall be irrevocable.
30. If the Board of Directors of the Company, shall, within the space of thirty days after being served with a notice by a proposing transferor of his intention to transfer the shares held by him find a member or person selected as aforesaid willing to purchase the shares (hereinafter called “The Purchaser”) and give notice thereof to the proposing transferor, he shall be bound upon payment of the fair value, to transfer the shares to the Purchaser.
31. In case any difference arises between the proposing transferor and the Purchaser as to the fair value of the shares, the Auditors of the Company may certify the fair value and the same shall be binding on the proposing transferor and the Purchaser.
32. If in any case the proposing transferor after having become bound as aforesaid makes default in transferring the shares, the Board of Directors of the Company may receive the Purchase Money, and shall thereupon cause the name of Purchaser to be entered in the register as the holder of the shares, and shall hold the purchase money in trust for the

proposing transferor. The receipt by the Board of Directors of the Company of the purchase money shall be a good discharge to the Purchaser, and after his name is entered in the register in the purported exercise of the aforesaid power, the validity of the proceedings shall not be questioned by any person.

33. If the Board of Directors of the Company does not within the space of thirty days after being served with the transfer notice, find a member or person selected as aforesaid willing to purchase the shares or any of them give a notice in manner aforesaid, the proposing transferor shall at any time thereafter be at liberty, subject to Article 34 hereof, to sell and transfer the shares to any person at any price not lower than the expected price as mentioned in the Transfer Notice tendered to the Company as per Article 29 hereof.

34. Whenever any member of the Company, who is employed by the Company in any capacity, other than as a Director, resigns or is dismissed from such employment, the Directors, may, at any time within 14 days after his resignation or dismissal resolve that such member do retire from the Company; and thereupon such member will on demand transfer his share or shares to any one nominated by the Directors, at a fair value to be fixed by the Auditors. Should the said member decline to transfer his share or shares the Board of Directors of the Company may receive the purchase money and shall thereupon cause the name of the person nominated by the Directors to be entered in the register as the holder of the shares, and shall hold the purchase money in trust for such retired or dismissed employee member and register the Purchaser as the holder of the share or shares. The receipt of the Board of Directors of the Company for the purchase money shall be a good discharge to the person nominated by the Directors and after his name is entered in the register in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person.

35. The Directors may at their absolute and uncontrolled discretion, decline to register or acknowledge any transfer of share and shall not be bound to give any reason for such refusal, and in particular may so decline in respect of shares upon which the Company has a lien. This article shall apply notwithstanding that the proposed transferee may be already a member.

36. Notwithstanding anything contained above, the Board shall not refuse any transfer of shares by a member to his spouse, father, mother, brother, sister or to his lineal descendants or any other transfer merely for the purpose of effecting the appointment of New Trustees or to the beneficiary by Trustees.

37.

I. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

II. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

38. The Board may also decline to recognise any instrument of transfer unless—

I. the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

II. the instrument of transfer is duly stamped and accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

III. the instrument of transfer is in respect of only one class of shares.

### **TRANSMISSION OF SHARES**

39. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

40. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either --

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

42.(i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

43. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

## GENERAL MEETINGS

41. A General Meeting of the Company, which shall be styled, as the Annual General Meeting shall be held at the intervals and in accordance with the provisions, hereinafter appearing. The First Annual General Meeting of the Company shall be held within nine months from the end of the first financial year of the company and the next Annual General Meeting of the Company shall be held within six months after the expiry of each financial year but so that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Every Annual Meeting shall be called at a time, during business hours, i.e. 9 a.m. to 6 p.m. on a day that is not a National holiday (includes a day declared as National Holiday by the Central Government) and shall be held either at the Registered Office of the Company or at some other place within the city, town or village in which the Registered Office of the Company is situated, and the notice calling the Meeting shall specify it as the Annual General Meeting.

42. The accidental omission to give any such notice to or the non-receipt of such notice by any of the members to whom it should be given shall not invalidate any resolution passed or proceeding held at any meetings.

43. The Board may convene other General Meetings of the Company whenever it thinks fit and such meeting shall be called Extra Ordinary General Meeting.

44. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. The quorum for the general meetings shall be as provided in section 103.

## PROCEEDINGS AT GENERAL MEETINGS

45. A General meeting of the shareholders, whether annual or general, shall be called by giving not less than twenty one clear days' notice provided that a meeting may be called by giving a shorter notice in accordance with the provisions of Section 101 of the Act. Every notice of a meeting shall specify the place, day and time of the meeting and shall contain a statement of business to be transacted thereat.

46. In a General Meeting, members may be allowed to participate through electronic means, i.e. through video conferencing. However, it shall be the duty of the Board of Directors and/or the Secretary, if duly authorized in this behalf, to ensure necessary infrastructure and equipments in place and to safeguard the integrity of the meeting. The persons participating through electronic means in a general meeting shall not be counted for the purpose of quorum.

## ADJOURNMENT

47. If within half an hour, from the time appointed for Meeting the quorum is not present, the Meeting if convened upon a requisition of the members shall stand dissolved but in any other case it shall stand adjourned to the same day in the next week at the same time and same place. If at further adjourned meeting a quorum is not present, those members present shall be deemed to be the quorum and may do all business as a quorum could have done.

## **CHAIRMAN**

48. The Chairman of the Board shall, if present and willing, take the chair at every General Meeting but if there is no such chairman or in case of refusal or if he is not present within half an hour of the time appointed for holding such meeting, the directors present shall elect one of their members to be the Chairman of the meeting and if none of Directors present is willing to take chair, the members present, shall then choose one of their own members to be the Chairman of the Meeting.

## **BUSINESS TO BE TRANSACTED**

49. At the General Meeting no business other than that stated in the notice calling the general meeting shall be transacted and such business shall subject to the provisions of the Act be decided by resolution by show of hands or by poll if demanded. Chairman's decision shall be conclusive and in case of equality of votes, chairman will have second or casting vote.

## **VOTING**

50. 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 present in person shall have one vote; and
- (b) On a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

51.

I. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

II. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

52. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

## **PROXY**

54. Subject to the provisions of the Act and these Articles, vote may be given either personally or by an attorney or by proxy or in the case of a body corporate by a representative duly authorized under Section 113 of the Act. The Chairman of the meeting shall have authority to decide the validity of vote.

## **DIRECTORS**

55. Unless and until otherwise determined by the Company in General Meeting by a special resolution, the number of Directors shall not be less than two and not be more than Fifteen including Directors nominated by financial institutions.

56. The following are the First directors of the Company:

- a) Pranav Kailas Bagal
- b) Chhotusingh Girase
- c) Jaiprakash Kailashchandra Lahoti

57. Subject to the Provisions of Article 53 hereof, The Board shall be entitled to appoint any one or more of them as Alternate/ Financial/ Special/ Executive/ Whole time Director/ such other designated whole time Directors whose terms of appointment shall be as may be decided by the Board, subject to the provisions of the Act. The Board has power to appoint any other qualified person to be additional or Director to fill casual vacancy.

58. The Board may, from time to time appoint one or more Directors to be the Managing Director or Managing Directors of the Company, either for a fixed term or without any limitation as to the period for which he or they is or are to hold such office, and may from time to time (subject to be the provisions of the Contracts between him or them and the Company) remove or dismiss him or them from office and appoint another or other in his or their place or places.

59. A Managing Director or Whole time Director or Technical Director shall, in addition to the remuneration payable to him as a Director of the Company under these Articles, receive such additional remuneration as from time to time be sanctioned by the Company by way of salary or commission or participation in profits or partly in one way or partly in another subject to the provisions of the Companies Act, 2013.

60. Subject to the provisions of the Act and in particular to the prohibitions and restrictions contained in section 179 thereof, the Board may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable under these presents by the directors as they may think fit, and may confer such power for such time, and to be exercised for such objects and purposes and upon such times and conditions and with such restrictions as they think fit; and they may confer such powers, either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf; and from time to time revoke, withdraw, alter or vary all or any of such powers.

61. The Directors may appoint any one of their technically qualified Director to be the Technical Director of the Company for such period and on such terms as to payment of remuneration and for affording him such amenities and perquisites as may be agreed to between such Technical Director of the Company and the Directors and delegate to such Technical Director such of their powers and duties as they may think it proper to do.

62. The Directors may appoint any person to be an Alternate Director to act for a Director during his absence from the State in which the meetings of the Board are ordinarily held provided that such absence for a period not less than three months from India and such appointment shall have effect and such appointee while he holds office as an Alternate Director shall be entitled to notice of Meetings of the Directors and to attend and vote thereat accordingly but he shall ipso facto vacate office if and when the original Director returns to the said State, or vacates Office as a Director.

63.

a) Subject to the provisions of the Companies Act 2013 notwithstanding anything to the contrary contained in these Articles, any Financing Company or Body Corporate or Bank or Insurance Corporation (hereinafter referred to as "the Financial Institution") shall have a right to appoint, remove, reappoint, substitute from time to time, its nominee as a Director (hereinafter referred to as "the Nominee Director") on the Board of the Company, so long as any moneys remain owing to them or any of them by the Company, out of any Financial Assistance granted by them or any of them to the Company by way of loan and/or by holding debentures and/or shares in the Company and/or as a result of underwriting or direct subscription and/or any Liability of the Company arising out of the guarantee furnished by the Financial Institution on behalf of the Company remains outstanding.

b) The Nominee Director so appointed shall not be required to hold any qualification shares in the Company nor shall he / they be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s) so appointed.

Subject to the aforesaid, the said Nominee Director(s) shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Directors of the Company is entitled.

c) The sitting fees in relation to such Nominee Director shall accrue to the Bank/ Financial Institution and the same shall accordingly be paid by the Company directly to such Bank / Financial Institution. Bank or the Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.

d) The Nominee Director shall, notwithstanding anything to the contrary contained in Articles, be at liberty to disclose any information obtained by him / them to the Bank / Financial Institution appointing him/them as such Director(s).

64. The Directors of the Company need not hold any qualification shares.

65. The Director may be paid sitting fees not exceeding as may be prescribed by the Government from time to time per meeting, as may be fixed from time to time by the Board for attending the meeting of the Board or of any subcommittee thereof in addition to the reimbursement of actual expenses incurred for attending the meeting.

66. Any Director who serves on any committee or who devotes special attention to the business of the Company or who otherwise performs services which in the opinion of the Directors are outside of the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, percentage of profit or otherwise as the Directors may determine.



## **POWER OF THE DIRECTORS**

67. The Directors shall have power and complete management of the Company's affairs inter alia regarding shares, loans, investment and to exercise all such powers and to do all things and acts as the Company is authorized to do by its Memorandum of Association or required to be exercised under statute or Article for the benefit of the Company's business but subject to the provisions of the Act, these Articles or any direction given by members in General Meeting.

68. Whenever it is decided in the interest of the Company to enter into partnership with any individual, firm or company, the Board can authorize any of its Directors to sign and execute partnership deed and other documents and accept all rights and obligations of the firm on behalf of the Company.

## **BORROWING POWERS**

69. Subject to the provisions of section 73 and 179 of the Companies Act, 2013, and Rules and Regulations made there under and Directions issued by the RBI, the directors may, from time to time, raise or borrow any sums of money for and on behalf of the Company from the member or other persons, companies or banks or they may themselves advance money to the company on such interest as may be approved by the Directors.

70. The Directors may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they deem fit and in particular by the issue of bonds or debentures or by pledge, mortgage, charge or any other security on all or any properties of the Company (both present and future) including its uncalled capital for the time being.

## **PROCEEDINGS OF BOARD OF DIRECTORS**

71. For the dispatch of business from time to time the Board shall meet at least four times in a year in such a manner that not more than One Hundred and Twenty days shall intervene between two consecutive meetings.

72. Every such Board Meeting shall be called by giving at least seven days' notice in writing at which quorum shall be one-third of its total strength, or two Directors, whichever is higher.

73. The meeting of the Board of Directors may be held physically, i.e. the directors present in person, or electronically, i.e. through video conferencing or any such other mode of electronic communication where the directors can see and interact with each other. The Directors present as such shall be counted for the purpose of constitution of valid quorum for the purpose of any Board/ committee meeting. Such meetings shall be held in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and as per the guidelines prescribed in this behalf by the Ministry of Corporate Affairs, from time to time.

74. Every Board Meeting, duly constituted, if not adjourned for want of quorum, shall be chaired by the Chairman or other Director as may be agreed upon and shall decide on any business by majority. In case of equality of votes, Chairman shall have a second or casting vote.

75. The Board can pass resolution by circulation provided it is duly circulated along with papers and approved by majority or as required for quorum.

76. The Board may, subject to the provisions of the Act, delegate any of its Powers to committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

77. No director can attend, discuss and vote at the Board Meeting in which the contract or arrangement in which the director is directly or indirectly interested, is being discussed. Neither will the director be counted as a quorum for that meeting.

78. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

79. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

80. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

#### **SEAL**

81. The Board shall provide for a Common Seal of the Company and for the safe custody for the same. It shall be used only with the authority of the Board and be affixed on any instrument in the presence of a Director or such other persons, as may be authorized/ appointed. The Company can have an official seal for use abroad.

#### **DIVIDEND**

82. Subject to the provisions of the Act, the dividend/ interim dividend should be paid out of profits at the rate declared at the General Meeting or, as the case may be, at the Board meeting, but not exceeding as recommended by the Board in proportion to the capital paid up on shares after providing for depreciation.

83. Before recommending any dividend the Board may set aside certain amount of profits as Reserves, which shall be applied in the manner as may be from time to time decided by the Board. The Board can carry forward the profits without declaring dividend.

84. Dividend shall be paid by cheque or warrant payable or by way of remittance as per RBI rules to the members whose name appears on the Register of Members on a particular day as may be decided by the Board.

#### **CAPITALIZATION**

85. Subject to the provisions of the Act, if resolved at the General Meeting any money, investments or assets forming part of undivided profits standing to the credit of reserve fund at the disposal of the Company and available for dividend (or as Share Premium Account) be capitalized and distributed among the members who are entitled for dividend and in the same proportion, be applied to make the partly paid shares as fully paid or in issuing fully paid bonus shares or partly in one way and partly in other.

#### **ACCOUNTS**

86. The Company shall keep at its Registered Office or such other place as may be decided by the Board, proper books of accounts giving true and fair view of the state of affairs of the Company.

87. As per provisions of the Act, profits and Loss Account, Balance Sheet and Auditors Report and every other document required by law to annexed or attached as the case may be, to the Balance Sheet, to be sent to every member and debenture holder of the Company and every trustee for the holders of the debentures issued by the Company at least twenty one days before the date of Annual general meeting of the Company at which they are to be laid, subject to the provisions of the Act.

#### **AUDIT**

88. The Accounts of the Company shall be audited by the Auditors appointed as per the provisions of the Act. The Accounts when audited and approved at the Annual General Meeting shall be conclusive.

#### **CHIEF EXECUTIVE OFFICER, MANAGER, SECRETARY OR CHIEF FINANCIAL OFFICER**

89. Subject to the provisions of the Act, --

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

90. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

## **DOCUMENTS AND NOTICES**

91. Any document or notice may be served by the Company to any member or officer of the Company under the signature of the Director, along with the indication of his DIN on every document and notice; or by such other authorized person, sent personally or through post.

92. Any document or notice may be served by a member to the Company by sending it to the address of the registered office and addressed to the Company or its officer and sent through post.

## **WINDING UP**

93. The liquidator on any winding up (voluntary or compulsory) may with the sanction of a special resolution but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributions as the liquidator with the like sanction may think fit.

## **INDEMNITY AND RESPONSIBILITY**

94. Subject to the provisions of the Act, the Directors, Secretary, Auditors, Consultants or every other officer for the time being of the Company and any trustees for the time being acting in relation to any of the affairs of the Company and their heirs, executors and administrators respectively shall be indemnified out of the assets of the Company from and against all suits, proceedings, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by reason of any act done or omitted in or about the execution of their duty in their respective office or trust, except if such (if any) as they shall incur or sustain by or through their own willful neglects or defaults respectively, and no such officer or trustee shall be answerable for the acts, receipts, neglects or defaults of any other officer or trustee or for joining in any receipt for the sake of conformity or for the solvency or honesty of any bankers or other person with whom any monies or effects belonging to the Company may be lodged or deposited for safe custody or for any security upon which any money of the Company shall be invested for any other loss or damage due to any such causes as aforesaid or which may happen in or about the execution of his office or trust unless the same happen through the willful neglect or default of such officer or trustee.

## **SECRECY**

95. Every Director, Secretary, Auditor, Consultant or any other officer or employee of the Company shall, if so required by the Directors, before entering upon duties, sign a declaration pledging to observe a strict secrecy restriction respecting all the affairs of the Company.

Subject as conferred by law no member, not being a Director shall be entitled to visit or inspect any accounts, books, documents or works of the Company without the permission of the Directors or require discovery of any of Company trade secrets process or any other matter which would in the opinion of the Directors be expedient in the interest of the Company not to disclose.

## SECTION X – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Vedant Apartment, Near Reliance Shoppee, Dindori Road, Panchavati, Nashik – 422 003 Maharashtra, India, from 10.00 a.m. to 5.00 p.m. on working days from the date of the Draft Prospectus until the Issue Closing Date.

#### Material Contracts

1. Memorandum of Understanding dated January 06, 2023 between our Company and the Lead Manager.
2. Agreement between Bigshare Services Private Limited and our Company dated January 10, 2023 appointing them as the Registrar to the Issue.
3. Underwriting Agreement dated January 06, 2023 between our Company and Underwriter.
4. Market Making Agreement dated January 06, 2023 between our Company, Lead Manager and Market Maker.
5. Asset Transfer Agreement dated October 31, 2022 and Business Succession Agreement dated October 31, 2022 between our Company and M/s. Nirman Agri Genetics, Proprietary Concern for acquisition of assets and business of M/s. Nirman Agri Genetics, Proprietary Concern.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated [●], 2023.
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated [●], 2023.
8. Banker to the Issue and Sponsor Bank Agreement dated [●], 2023 between our Company, the Lead Manager, Banker to the Issue and Registrar to the Issue.

#### Material Documents

1. Certificate of Incorporation of our Company in the name of “*Nirman Agri Genetics Private Limited*” dated August 19, 2020 issued by the Registrar of Companies, Mumbai.
2. Fresh Certificate of Incorporation consequent upon conversion in the name of ‘*Nirman Agri Genetics Limited*’ dated January 03, 2023 issued by the Registrar of Companies, Mumbai.
3. Certified true copy of the Memorandum and Articles of Association of our Company, as amended.
4. Certified true copy of the resolution passed at the meeting of the Board of Directors dated January 04, 2023 authorizing the Issue.
5. Certified true copy of the special resolution of the Shareholders passed at the Extraordinary General Meeting dated January 06, 2023 authorizing the Issue.
6. Statement of Tax Benefits dated January 04, 2023 issued by our Statutory Auditor, M/s. A. S. Bedmutha & Co., Chartered Accountants.
7. Certificate of Deployment dated January 04, 2023 issued by our Statutory Auditor, M/s. A. S. Bedmutha & Co., Chartered Accountants.
8. Report of our Statutory Auditor, M/s. A. S. Bedmutha & Co., Chartered Accountants dated January 04, 2023, on the Restated Financial Statements of our Company included in this Draft Prospectus.

9. Report of our Statutory Auditor, M/s. A. S. Bedmutha & Co., Chartered Accountants dated January 04, 2023, on the Proforma Restated Financial Statements of our Company and Proprietary Concern, M/s. Nirman Agri Genetics, included in this Draft Prospectus.
10. Copies of audited financial statements of our Company for Fiscal 2021, 2022 and period ended October 31, 2022.
11. Certified true copy of the resolution dated October 10, 2022 passed at the EGM, appointing Pranav Kailas Bagal as the Managing Director of our Company.
12. Consents of Directors, Chief Financial Officer, Company Secretary and Compliance Officer, Statutory Auditor, Legal Advisor to the Issue, Banker to the Company, the Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue, to act in their respective capacities.
13. Due Diligence Certificate dated January 17, 2023 from the Lead Manager to NSE.
14. Due Diligence Certificate dated [●], 2023 from the Lead Manager to SEBI.
15. Copy of in-principle approval from NSE *vide* letter dated [●], 2023 to use the name of NSE in this document for listing of Equity Shares on Emerge Platform of NSE.

Any of the contracts or documents mentioned in the Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

**DECLARATION**

We, hereby declare that all the relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013 the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements are true and correct.

**Signed by all the Directors of NIRMAN AGRI GENETICS LIMITED**

<b>Name and designation</b>	<b>Signature</b>
<b>Pranav Kailas Bagal</b> <i>Managing Director</i>	
<b>Avinash Bhimrao Bagal</b> <i>Non-Executive Non-Independent Director</i>	
<b>Prakash Narayandas Sawana</b> <i>Independent Director</i>	
<b>Abhishek Shivnarayan Gupta</b> <i>Independent Director</i>	
<b>Riddhi Nitin Aher</b> <i>Independent Director</i>	

**Signed by the – Chief Financial Officer**

Place: Nashik

Date: January 17, 2023