DRAFT RED HERRING PROSPECTUS
Dated: December 23, 2021
Please read Section 32 of the Companies Act, 2013
(This Draft Red Herring Prospectus will be updated upon filing with the RoC)
Book Built Offer

HEXAGON NUTRITION LIMITED

Our Company was originally incorporated as '*Hexagon Chemoils Private Limited*', a private limited company under the Companies Act, 1956 at Mumbai, Maharashtra, pursuant to a certificate of incorporation dated May 27, 1993 issued by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"). The name of our Company was changed to '*Hexagon Nutrition Private Limited*' pursuant to a special resolution of the Shareholders of our Company dated December 30, 2005 and a fresh certificate of incorporation dated January 10, 2006 was issued by the RoC. Subsequently, our Company was converted into a public limited company, pursuant to a special resolution of the Shareholders of our Company dated October 14, 2021 and the name of our Company was changed to '*Hexagon Nutrition Limited*' and a fresh certificate of incorporation dated November 15, 2021 was issued by the RoC. For further details on the change in the name and the registered office of our Company, see "*History and Certain Corporate Matter*" beginning on page 176.

Registered and Corporate Office: 404 Global Chamber, Adarsh Nagar, Link Road, Andheri (West), Mumbai – 400 053, Maharashtra, India
Tel: +91 22 62136700, **Website:** www.hexagonnutrition.com
Contact Person: Poonam Sharma, Company Secretary and Compliance Officer, **E-mail:** cs.hnpl@hexagonnutrition.com
Corporate Identity Number: U24110MH1993PLC072189

OUR PROMOTERS: ARUN PURUSHOTTAM KELKAR, SUBHASH PURUSHOTTAM KELKAR, VIKRAM ARUN KELKAR AND DR. NIKHIL ARUN KELKAR

INITIAL PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 1 EACH ("EQUITY SHARES") OF HEXAGON NUTRITION LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●]* PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION COMPRISING A FRESH ISSUE OF [●] EQUITY SHARES AGGREGATING UP TO ₹ 1,000.00 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 30,113,918 EQUITY SHARES, COMPRISING UP TO 7,700,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY ARUN PURUSHOTTAM KELKAR AND UP TO 6,136,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY SUBHASH PURUSHOTTAM KELKAR (COLLECTIVELY, "THE PROMOTER SELLING SHAREHOLDERS"), UP TO 1,500,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY ANURADHA ARUN KELKAR AND UP TO 2,500,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY NUTAN SUBHASH KELKAR (COLLECTIVELY, "THE PROMOTER GROUP SELLING SHAREHOLDERS"), UP TO 12,204,250 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY SOMERSET INDUS HEALTHCARE FUND I LIMITED AND UP TO 73,668 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY MAYUR SIRDESAI (COLLECTIVELY THE "INVESTOR SELLING SHAREHOLDERS", TOGETHER WITH THE PROMOTER SELLING SHAREHOLDERS AND PROMOTER GROUP SELLING SHAREHOLDERS THE "SELLING SHAREHOLDERS", AND SUCH EQUITY SHARES, THE "OFFERED SHARES") AGGREGATING UP TO ₹ [●] MILLION ("OFFER FOR SALE", AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER").

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

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

This Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), read with Regulation 31 of the SEBI ICDR Regulations. This Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein, not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Portion**"), provided that our Company and Selling Shareholders in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("**Anchor Investor Portion**"), out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors ("**RIIs**") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders, other than Anchor Investors, are mandatorily required to participate in the Offer through the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA Accounts (as defined hereinafter) including UPI ID in case of RIIs in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or the Sponsor Bank, as the case may be. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "*Offer Procedure*" on page 357.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares by our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 1. The Offer Price, Floor Price and Price Band should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" beginning on page 29.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" beginning on page 397.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
Equirus Capital Private Limited 12th Floor, C Wing, Marathon, Futurex, N M Joshi Marg Lower Parel, Mumbai – 400 013, Maharashtra, India. **Tel:** +91 22 4332 0700 **E-mail:** hnl.ipo@equirus.com **Website:** www.equirus.com **Investor grievance e-mail:** investorsgrievances@equirus.com **Contact person:** Vaibhav Shah **SEBI Registration Number:** INM000011286	**SBI Capital Markets Limited** 202, Maker Tower 'E', Cuffe Parade, Mumbai – 400 005, Maharashtra, India. **Tel:** +9122 2217 8300 **E-mail:** hexagon.ipo@sbicaps.com **Website:** www.sbicaps.com **Investor Grievance e-mail:** investor.relations@sbicaps.com **Contact Person:** Aditya Deshpande **SEBI Registration Number:** INM000003531	**Kfin Technologies Private Limited** Selenium Tower – B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana **Tel:** +91 40 6716 2222 **E-mail:** hnl.ipo@kfintech.com **Website:** www.kfintech.com **Investor Grievance e-mail:** einward.ris@kfintech.com **Contact Person:** M. Murali Krishna **SEBI Registration Number:** INR000000221

BID/ OFFER PROGRAMME

BID/ OFFER OPENS ON	[●]*	**BID/ OFFER CLOSES ON**	[●]**

**Our Company and Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date, i.e. [●].*
*** Our Company and Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations*

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CONTENTS

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Further, Offer related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document.

Notwithstanding the foregoing, the terms used in "Basis for Offer Price", "Statement of Possible Tax Benefits", "Industry Overview", "Key Regulations and Policies", "Financial Information", "Outstanding Litigation and Material Developments" and "Description of Equity Shares and Terms of the Articles of Association" beginning on pages 106, 110, 116, 171, 223, 329 and 376 respectively, shall have the meaning ascribed to them in the relevant section.

General Terms

Term	Description
"our Company" or "the Company"	Hexagon Nutrition Limited, a public limited company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at 404 Global Chamber Adarsh Nagar Link Road Andheri (West), Mumbai 400053, Maharashtra, India.
"we", "us" or "our"	Unless the context otherwise indicates or implies or refers to our Company together with our Subsidiaries, on a consolidated basis.

Company related terms

Term	Description
AoA /Articles of Association or Articles	The articles of association of our Company, as amended
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in "*Our Management – Committees of our Board of Directors – Audit Committee*" on page 204
Auditors/ Statutory Auditors	The statutory auditors of our Company, currently being Bhuwania & Agarwal Associates, Chartered Accountants
Board/ Board of Directors	Board of directors of our Company, as described in "*Our Management*", beginning on page 193
CARE	CARE Advisory Research and Training Limited
CCPS	0.0001% cumulative compulsory convertible preference shares of our Company of face value of ₹ 10
Chennai Facility	Manufacturing facility located at Plot No. B11 Phase – 1 MEPZ, Tambaram, Chennai – 600 045, Tamil Nadu, India
Chief Financial Officer/CFO	Chief financial officer of our Company, Guman Mal Jain. For details, see "*Our Management*" on page 193
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, Poonam Sharma. For details, see "*Our Management*" on page 193
Corporate Social Responsibility Committee	Corporate social responsibility committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013, and as described in "*Our Management – Committees of our Board of Directors – Corporate Social Responsibility Committee*" on page 210

Term	Description
Director(s)	Directors on the Board as described in "*Our Management*", beginning on page 193
Equity Shares	The equity shares of our Company of face value of ₹ 1 each
Executive Director(s)	Executive director(s) on our Board, as described in "*Our Management*", beginning on page 193
HNEPL	Hexagon Nutrition (Exports) Private Limited
HNIPL	Hexagon Nutrition (International) Private Limited
Independent Directors	Independent directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulations. For details of the Independent Directors, see "*Our Management*" on page 193
Investor Selling Shareholders	Somerset Indus Healthcare Fund I Limited ("**Somerset**" or "the **Investor Selling Shareholder 1**") and Mayur Sirdesai ("**Investor Selling Shareholder 2**" together with Investor Selling Shareholder 1, "**Investor Selling Shareholder**")
KMP/ Key Managerial Personnel	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and as disclosed in "*Our Management*" beginning on page 193
Materiality Policy	The policy adopted by our Board of Directors on November 17, 2021, for identification of material: (a) outstanding litigation proceedings; (b) Group Companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus
MoA/ Memorandum of Association	The memorandum of association of our Company, as amended
Nashik Facility	Manufacturing facility located at Plot No. 92, Unandanagar, Lakhamapur, Dindori, Nashik – 422 202, Maharashtra, India
Nomination and Remuneration Committee	Nomination and remuneration committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in "*Our Management – Committees of our Board of Directors – Nomination and Remuneration Committee*" on page 207
Non-Executive Director(s)	Non-executive directors on our Board, as described in "*Our Management*", beginning on page 193
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in "*Our Promoters and Promoter Group*" on page 215
Promoters	The promoters of our Company, being Arun Purushottam Kelkar, Subhash Purushottam Kelkar, Vikram Arun Kelkar and Dr. Nikhil Arun Kelkar. For details, see "*Our Promoters and Promoter Group*" on page 215
Promoter Selling Shareholders	Arun Purushottam Kelkar and Subhash Purushottam Kelkar
Promoter Group Selling Shareholder	Anuradha Arun Kelkar and Nutan Subhash Kelkar
Registered and Corporate Office	The registered and corporate office of our Company, situated at 404 Global Chamber Adarsh Nagar Link Road Andheri (West), Mumbai 400053, Maharashtra, India
Restated Consolidated Financial Statements	The restated consolidated financial information of our Company comprises of the restated consolidated statement of assets and liabilities as at September 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, the restated consolidated statement of profit and loss, the restated consolidated statement of cash flows and the restated consolidated statement of changes in equity for the period ended September 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019 and the summary of significant accounting policies and explanatory notes and notes to restated consolidated financial information each prepared in accordance with Ind AS and restated in accordance with the SEBI ICDR Regulations, as amended and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI.
RoC/Registrar of Companies	The Registrar of Companies, Maharashtra at Mumbai
Selling Shareholders	Collectively, the Promoter Selling Shareholders, Promoter Group Selling Shareholders and the Investor Selling Shareholders

Term	Description
Shareholder(s)	Shareholders of our Company, from time to time
Shareholders Agreement/SHA	Shareholder's agreement dated November 8, 2016 entered into by and amongst our Company, Arun Purushottam Kelkar, Subhash Purushottam Kelkar, Vikram Arun Kelkar, Dr. Nikhil Arun Kelkar, Anuradha Arun Kelkar, Aditya Kelkar, Somerset Indus Healthcare Fund I Limited and Mayur Sirdesai and amendment agreement dated October 5, 2021 and December 7, 2021.
Share Subscription Agreement	Share subscription agreement dated November 8, 2016 entered into by and amongst our Company, Arun Purushottam Kelkar, Subhash Purushottam Kelkar, Vikram Arun Kelkar, Dr. Nikhil Arun Kelkar, Anuradha Arun Kelkar, Aditya Subahsh Kelkar, Somerset Indus Healthcare Fund I Limited and Mr. Mayur Sirdesai
Somerset	Somerset Indus Healthcare Fund I Limited
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in "*Our Management – Committees of our Board of Directors – Stakeholders' Relationship Committee*" on page 209
Subsidiaries	The subsidiaries of our Company as on the date of this Draft Red Herring Prospectus being: 1. Hexagon Nutrition (Exports) Private Limited; 2. Hexagon Nutrition (International) Private Limited; 3. Nutralytica Research Private Limited*; 4. Hexagon Nutrition Healthcare Private Limited; 5. Hexagon Nutrition (Pty) Limited; 6. Hexagon Nutrition Limited Liability Company; 7. Hexagon Nutrition China Limited. **Pursuant to a scheme of arrangement by absorption and dissolution presently pending before the NCLT Mumbai Bench, Nutralytica Research Private Limited is in the process of being amalgamated into our Company. The final order from the NCLT Mumbai Bench in this regard, is awaited. For further details please see "History and Certain Corporate Matters" beginning on page 176.* For the purpose of financial information and Restated Consolidated Financial Statements, subsidiaries would mean subsidiaries as at and during the relevant Fiscal period and stub period.
Thoothukudi Facility	Manufacturing facility located at Plot No. 76-77-78, Kombukaranatham Village, Sekkarakudi Post, Thoothukudi District – 628104, Tamil Nadu, India

Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allot/ Allotment/ Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholders pursuant to the Offer for Sale to successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to all the Bidders who have bidded in the Offer after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has bid for an amount of at least ₹ 100 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which will be decided by our Company and Selling Shareholders, in consultation with the BRLMs during the Anchor

Term	Description
	Investor Bidding Date.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	Final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and Selling Shareholders, in consultation with the BRLMs
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and Selling Shareholders, in consultation with the BRLMs, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations, one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations
Anchor Investor Pay-In Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/Offer Closing Date
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account and will include applications made by RIIs using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by RIIs using the UPI Mechanism
ASBA Account	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a Retail Individual Investor linked to a UPI ID, which will be blocked in relation to a Bid by a Retail Individual Investor Bidding through the UPI Mechanism
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Sponsor Bank and Public Offer Account Bank(s), as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in "*Offer Procedure*" beginning on page 357
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder and, in the case of RIIs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIIs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Offer, as applicable
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after

Term	Description
	which the Designated Intermediaries will not accept any Bids, which shall be published in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and regional edition of [●], a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation. Our Company and Selling Shareholders, in consultation with the Book Running Lead Managers may, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/Offer Closing Date shall also be notified on the websites of the Book Running Lead Managers and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and regional edition of [●], a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation.
Bid/ Offer Period	Except in relation to Bid by Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and in terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centers	Centers at which the Designated Intermediaries shall accept the ASBA Forms to a Registered Broker, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers/ BRLMs	The book running lead managers to the Issue, namely, Equirus Capital Private Limited and SBI Capital Markets Limited.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker and details of which are available on the websites of the respective Stock Exchanges.
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on/after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to the Bidder's beneficiary account.
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI and as per the list available on the websites of BSE and NSE
Cut-off Price	Offer Price, finalised by our Company and Selling Shareholders, in consultation with

Term	Description
	the BRLMs, which shall be any price within the Price Band. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details and UPI ID, where applicable
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Bidders (other than Anchor Investors) can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus, after the finalisationof the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares may be Allotted to successful Bidders in the Offer
Designated Intermediaries	In relation to ASBA Forms submitted by Retail Individual Investors (not using the UPI Mechanism) authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by Retail Individual Investors (Bidding using the UPI Mechanism) where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and NIIs, Designated Intermediaries shall mean SCSBs, Syndicate, sub-syndicate, Registered Brokers, CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and updated from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus/ DRHP	This draft red herring prospectus dated December 23, 2021 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer including any addenda or corrigenda thereto
Eligible FPI(s)	FPIs that are eligible to participate in this Offer in terms of applicable laws
Eligible NRI(s)	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 Red Herring Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe or purchase for the Equity Shares
Escrow and Sponsor Bank Agreement	The agreement to be entered into amongst our Company, the Selling Shareholder, the Registrar to the Offer, the BRLMs and Banker(s) to the Offer for inter alia collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable remitting refunds, if any, to Bidders, on the terms and conditions thereof
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid

Term	Description
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI BTI Regulations and with whom the Escrow Account(s) will be opened, in this case being [●]
Equirus	Equirus Capital Private Limited
First Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fresh Issue	Fresh issue of up to [●] Equity Shares aggregating up to ₹ 1,000.00 million by our Company.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, suitably modified and updated pursuant to, among others and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the Book Running Lead Managers
Mobile App(s)	The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes& intmId=43or such other website as may be updated from time to time, which may be used by RIIs to submit Bids using the UPI Mechanism
Monitoring Agency	[●]
Monitoring Agency Agreement	Agreement to be entered between our Company and the Monitoring Agency.
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Proceeds	The proceeds from the Fresh Issue less the Offer related expenses applicable to the Fresh Issue. For further information about use of the Offer Proceeds and the Offer expenses, see "*Objects of the Offer*" on page 90
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Investors/ NII's	All Bidders that are not QIBs or Retail Individual Investors and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer, consisting of [●] Equity Shares, which shall be available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Offer	The initial public offer of [●] Equity Shares comprising of the Fresh Issue and the Offer for Sale aggregating up to ₹ [●].
Offer Agreement	The agreement dated December 23, 2021 amongst our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to 30,113,918 Equity Shares aggregating up to ₹ [●] million comprising up to 7,700,000 equity shares aggregating up to ₹ [●] million by Arun Purushottam Kelkar and up to 6,136,000 equity shares aggregating up to ₹ [●] million by Subhash Purushottam Kelkar, up to 1,500,000 equity shares aggregating up to ₹ [●] million by Anuradha Arun Kelkar and up to 2,500,000 equity shares aggregating up to ₹ [●] million by Nutan Subhash Kelkar, up to 12,204,250 equity shares aggregating up to ₹ [●] million by Somerset Indus Healthcare Fund I Limited and up to 73,668 equity shares aggregating up to ₹ [●] million by Mayur Sirdesai.
Offer Price	₹ [●] per Equity Share, being the final price within the Price Band, at which Equity

Term	Description
	Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company and Selling Shareholders, in consultation with the BRLMs on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus.
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to our Selling Shareholders. For further information about the use of the Offer Proceeds, see "*Objects of the Offer*" on page 90
Offered Shares	The cumulative number of Equity Shares being offered by the Selling Shareholders in the Offer for Sale comprising of an aggregate of up to 30,113,918 Equity Shares aggregating up to ₹ [●] million
Price Band	The price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and Selling Shareholders in consultation with the Book Running Lead Managers, and will be advertised, at least two Working Days prior to the Bid/Offer Opening Date, in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and regional edition of [●], a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.
Pricing Date	The date on which our Company and Selling Shareholders in consultation with the BRLMs, will finalise the Offer Price
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account(s)	Bank account(s) to be opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date
Public Offer Bank	The bank(s) which is a clearing member and registered with SEBI as a banker to an issue with which the Public Offer Account(s) is opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●]
QIB Category/ QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer, consisting of [●] Equity Shares aggregating to ₹ [●] million which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company and Selling Shareholders, in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus/ RHP	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto. The Bid/Offer Opening Date shall be at least three Working Days after the registration of Red Herring Prospectus with the RoC. The Red Herring Prospectus will become the Prospectus upon filing with the RoC after the Pricing Date, including any addenda or corrigenda thereto
Refund Account(s)	The account(s) opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this

Term	Description
	case being [●]
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and BRLMs and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI
Registrar Agreement	The agreement dated December 17, 2021 among our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar to the Offer/ Registrar	Kfin Technologies Private Limited
Registrar and Share Transfer Agents/ RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Retail Individual Investors(s)/ RII(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Offer being not less than 35% of the Offer consisting of [●] Equity Shares aggregating to ₹ [●] million, which shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s) QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
SBICAP	SBI Capital Markets Limited
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to RIIs using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43. Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at www.sebi.gov.in.
Share Escrow Agent	Escrow agent appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	Agreement to be entered into amongst the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Offered Shares and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which will be included in the Bid cum Application Form
Sponsor Bank	The Banker to the Offer registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the RIIs using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being [●]
Stock Exchanges	Collectively, BSE Limited and National Stock Exchange of India Limited
Syndicate Agreement	Agreement to be entered into among our Company, the Selling Shareholders, the BRLMs and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries (other than the BRLMs) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, namely, [●]

Term	Description
Syndicate/members of the Syndicate	Together, the BRLMs and the Syndicate Members
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	[●]
Underwriting Agreement	The agreement among the Underwriters, our Company and Selling Shareholders to be entered into on or after the Pricing Date, but prior to filing of the Prospectus
UPI	Unified Payments Interface which is an instant payment mechanism, developed by NPCI
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the Retail Individual Investor, by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS directing the Retail Individual Investor to such UPI linked mobile application) to the Retail Individual Investor using the UPI Mechanism initiated by the Sponsor Bank to authorise blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI linked mobile application, and the subsequent debit of funds in case of Allotment
UPI Mechanism	The Bidding mechanism that may be used by Retail Individual Investors to make Bids in the Offer in accordance with UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Working Day	All days on which commercial banks in Mumbai, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, Maharashtra, India are open for business and the time period between the Bid/Offer Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI

Conventional and General Terms and Abbreviations

Term	Description
A/c	Account
AGM	Annual general meeting
AIFs	Alternative investment funds as defined in and registered under the SEBI AIF Regulations
Air Act	Air (Prevention and Control of Pollution) Act, 1981
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the

Term	Description
	SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020
Demat	Dematerialised
Depositories Act	Depositories Act, 1996.
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
EBITDA	Earnings before interest, tax, depreciation and amortisation
EGM	Extraordinary general meeting
EOU	Export oriented unit
EPS	Earnings per share
EUR/ €	Euro
FSSA	Food Safety and Standards Act, 2006
FSSAI	Food Safety and Standards Authority of India
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year, Fiscal, FY/ F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors as defined under SEBI FVCI Regulations
GDP	Gross domestic product
GoI	Government of India
GST	Goods and services tax
Hazardous Waste Rules	Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
HRA	Housing rent allowances
HUF	Hindu undivided family
I.T. Act	The Income Tax Act, 1961
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Ind AS Rules
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015
IPO	Initial public offer.
IRDAI	Insurance Regulatory Development Authority of India
IT	Information technology
MCA	Ministry of Corporate Affairs, Government of India
Mn/ mn	Million
MPCB	Maharashtra Pollution Control Board
Mutual Fund(s)	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not applicable
NACH	National Automated Clearing House

Term	Description
NAV	Net asset value
NEFT	National electronic fund transfer
NFE	Net foreign exchange
Non-Resident	A person resident outside India, as defined under FEMA
NPCI	National payments corporation of India
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
R&D	Research and development
RBI	Reserve Bank of India
Regulation S	Regulation S under the Securities Act
RONW	Return on net worth
Rs./ Rupees/ ₹ / INR	Indian Rupees
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Mutual Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
State Government	Government of a State of India
STT	Securities Transaction Tax

Term	Description
US GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended
USA/ U.S. / US	The United States of America
USD / US$	United States Dollars
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations
Water Act	Water (Prevention and Control of Pollution) Act, 1974
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations

Technical and Industry Related Terms

Terms	Description
AMB	Anemia Mukt Bharat
CAGR	Compound Annual Growth Rate
CMAM	Community Based Management of Acute Malnutrition
CNNS	Comprehensive National Nutrition Survey
CVDs	Cardiovasular Diseases
EML	Essential Medicines List
FMCG	Fast- Moving Consumer Goods
FSSAI	Food Safety and Standards Authority of India
FRK	Fortified Rice Kernels
GDP	Gross Domestic Product
GNI	Gross National Income
ICDS	Integrated Child Development Services
MAM	Moderate Acute Malnutrition
MDM	Mid-Day Meal Scheme
MNP	Micro Nutrient Powder
MGNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
MMP	Multiple Micronutrient Power
MNT	Medical Nutrition Therapy
NABH	National Accreditation Board for Hospital & Healthcare
NCDs	Non-Communicable Diseases
NFHS	National Health Family Survey
NHM	National Health Mission
NPCDCS	National Programme for Prevention and Control of Cancer, Diabetes, Cardiovascular Diseases and Stroke
PDCAAS	Protein Digestibility Corrected Amino Acid Score
PDS	Public Distribution System
PFCE	Private Final Consumption Expenditure
RMNCH	Reproductive, Maternal, Newborn, and Child Health
RTD	Ready-To-Drink
RUF	Ready-to-Use-Foods
RUSF	Ready to Use Supplementary Foods
RUTF	Ready to Use Therapeutic Foods
SAM	Severe Acute Manlnutrition
TUL	Tolerable Upper Limit
UNICEF	United Nations International Children’s Fund
USAID	United States Agency for International Development
WEO	World Economic Outlook
WFP	World Food Programme
WHO	World Health Organization
YoY	Year-on-Year

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

Certain Conventions

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

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("**IST**"). Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless stated or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Consolidated Financial Statements.

The Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus includes restated summary statement of assets and liabilities as at September 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, the restated summary statements of profit and loss, the restated summary statement of changes in equity and the restated summary statement of cash flows for the six months period ended September 30, 2021 and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019, together with the summary statement of significant accounting policies, and other explanatory information, each prepared in accordance with Ind AS and restated in accordance with the SEBI ICDR Regulations, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.

For further information on our Company's financial information, see "*Financial Statements*" on page 223. Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year; accordingly, all references to a particular financial year or fiscal, unless stated otherwise, are to the 12 months period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Reference in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified and reference to Stub Period is to the six months period ended September 30.

The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and laws on the financial disclosures presented in this Draft Red Herring Prospectus should be limited. There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide a reconciliation of its financial statements with Indian GAAP, IFRS or U.S. GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. For further details in connection with risks involving differences between Ind AS and other accounting principles, see "*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition*" on page 29.

Unless the context otherwise requires or indicates, any percentage amounts (excluding certain operational metrics), as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 29, 149 and 310, respectively, and elsewhere in this Draft Red Herring Prospectus have been derived from the Restated Consolidated Financial Statements.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Except as otherwise stated, all figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Restatement adjustments

For periods up to and including the year ended March 31, 2021, the Company prepared its financial statements in accordance with accounting standards referred to in paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP) notified under section 133 of the Companies Act, 2013. The Restated Consolidated Financial Information have been compiled from the audited interim consolidated financial statements of the Company as at and for the six months period ended September 30, 2021 and the audited consolidated financial statements of the Company as at and for the year ended March 31, 2021, March 31, 2020 and March 31, 2019, prepared in accordance with the Ind AS and other recognised accounting practices and policies generally accepted in India including the requirements of the Companies Act, 2013.

In pursuance to general directions received from SEBI vide their email dated October 28, 2021, for the purpose of audited consolidated financial statements and audited interim consolidated financial statements of the Company for the aforesaid period, the transition date is considered as April 1, 2018 which is different from the transition date adopted by the Company at the time of first-time transition to Ind AS (i.e April 1, 2021) in accordance with the Companies Act. Accordingly, the Company has applied the accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as on April 1, 2018 for these consolidated financial statements and audited interim consolidated financial statements of the Company.

There is no difference between Restated Consolidated Financial Statements and audited interim consolidated financial statements and audited consolidated financial statements of the Company as referred above.

Unless the context otherwise indicates, any percentage amounts (excluding certain operational metrics) relating to the financial information of our Company in the "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 29, 149 and 310, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of amounts derived from our Restated Consolidated Financial Statements.

Certain figures contained in this Draft Red Herring Prospectus, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the two decimal points. 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 figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Non-GAAP Measures

Certain non-GAAP measures such as, EBITDA, Earning per share (Basic and Diliuted), , Return on Net Worth and net asset value per equity share ("**Non-GAAP Measures**") presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardised term and, therefore, a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because these are widely used measures to evaluate a company's operating performance. See "*Risk Factors – Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not* *measures of operating performance or liquidity defined by Ind AS and may not be comparable.*" on page 50.

Currency and Units of Presentation

All references to "**Rupees**" or "**₹**" or "**Rs**." are to Indian Rupees, the official currency of the Republic of India.

All references to "**U.S.$**", "**U.S. Dollar**", "**USD**" or "**U.S. Dollars**" are to United States Dollars, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions. One million represents '10 lakhs' or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

Exchange Rates

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

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

Currency	Exchange Rate as on			
	September 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
1 USD	74.26	73.50	75.39	69.17

Source: www.fbil.org.in
Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day has been disclosed. The reference rates are rounded off to two decimal places.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publication and sources. Further, the information has also been derived from the report titled *"Strategic Market Assessment of nutrition and food fortification 2021-2026"* dated *December 2, 2021* (the **GIRACT Report**") and "Industry Research Report on Food Premix Sector in India" dated December 21, 2021 prepared by CARE Advisory Research and Training Limited **("Care Report")** which has been commissioned and paid for by our Company from GIRACT and CARE, respectively in connection with the Offer. For risks in relation to commissioned reports, see "*Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from CARE and GIRACT which has been exclusively commissioned and paid for by our Company and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.*" on page 49.

Disclaimer of CARE Report:

"This report is prepared by CARE Advisory Research and Training Limited (CARE Advisory). CARE Advisory has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in CARE Advisory's proprietary database, and other sources considered by CARE Advisory as accurate and reliable including the information in public domain. The views and opinions expressed herein do not constitute the opinion of CARE Advisory to buy or invest in this industry, sector or companies operating in this sector or industry and is also not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever.

This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered to be reasonable by CARE Advisory; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.

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CARE Advisory shall reveal the report to the extent necessary and called for by appropriate regulatory agencies, viz., SEBI, RBI, Government authorities, etc., if it is required to do so.

By accepting a copy of this Report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this Report."

Except for the GIRACT Report and CARE Report, we have not commissioned any report for purposes of this Draft Red Herring Prospectus and any market and industry related data, other than that derived from the GIRACT Report and CARE Report, used in this Draft Red Herring Prospectus has been obtained or derived from publicly available documents and other industry sources.

Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured and accordingly, investment decisions should not be based on such information. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section '*Risk Factors*' on page 29. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.

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

In accordance with the SEBI ICDR Regulations, "*Basis for Offer Price*", beginning on page 106 includes information relating to our peer group companies. Such information has been derived from publicly available sources. No investment decision should be made solely on the basis of such information.

FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements" which are not historical facts. These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "propose", "project", "will", "will continue", "will pursue" or other words or phrases of similar import but are not the exclusive means of identifying such statements. Similarly, statements that describe our strategies, objectives, plans, goals, future events, future financial performance or financial needs are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

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

- If we fail to keep pace with the rapid changes in the industry and market, it will result in a decline in demand for our products and revenues;

- Introducing new product variants may not always be successful;

- A disruption or shutdown or slowdown of our manufacturing operations or under-utilisation of our manufacturing facilities due to non-availability of fuel, electricity, or water;

- The availability of look-alikes, counterfeit products, primarily in our domestic market, manufactured by other companies and passed off as our products, could adversely affect our goodwill and results of operations; and

- The value of our brands, and our sales, could be adversely impacted by negative publicity.

- The continuing impact of the coronavirus disease (COVID-19);

For details regarding factors that could cause actual results to differ from expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", beginning on pages 29, 149 and 310, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect current views as on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, the Selling Shareholders, our Promoters, our Directors, the Book Running Lead Managers nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company and the Book Running Lead Managers will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Offer. In accordance with requirements of SEBI and as prescribed under applicable law, each of the Selling Shareholders, severally and not jointly, shall ensure that the Bidders in India are informed of material developments, in relation to statements and undertakings specifically undertaken or confirmed by it in relation to itself and its respective portion of the Offered Shares in this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for the respective portion of the Offered Shares pursuant to the Offer.

SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of the terms of the Offer included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled "Risk Factors", "The Offer", "Capital Structure", "Objects of the Offer", "Industry Overview", "Our Business", "Our Promoters and Promoter Group", "Financial Statements", "Outstanding Litigation and Other Material Developments" and "Offer Procedure" on pages 29, 57, 72, 90, 116, 149, 215, 223, 329, and 357, respectively of this Draft Red Herring Prospectus.

Primary business of our Company

We are a differentiated and research oriented pure-play nutrition company. We are the only holistic nutrition player that offers products across clinical products, micronutrient premixes and therapeutic products. *(Source: Giract Report)* We focus on holistic nutrition products encompassing a wide range of nutritional and nutrition enhancing products. Our product portfolio addresses a broad spectrum of aspects such as fortification of foods, therapeutic nutrition, clinical nutrition and alleviation of malnutrition. We are a fully integrated company engaged, right from product development to marketing including research and development and manufacturing, with a focus on quality. Having started our business in 1993 as a micro-nutrient formulations player, we have moved up the value chain to develop our brands "PENTASURE", "OBESIGO" and "PEDIAGOLD" which are leading names in the health, wellness, and clinical nutrition space *(Source: Giract Report)*. We have presence across India and our products have been exported to around 70 countries.

For further details, see "*Our Business*" on page 149.

Industry in which our Company operates

India's positive per capita GDP growth, 4% inflation rate, access to traditional and modern nutraceutical ingredients, and increasing consumer awareness of deficiency disease incidence and prevention are driving rapid growth of the clinical nutrition sector. The demand for functional nutrition is expected to witness significant growth driven in part, by younger professionals with intense lifestyles. Further, the functional beverages sector is driven by young population of dual income household, with a rising income, and growing awareness of healthy eating. India's health and wellness nutrition market was worth USD 10.5 billion in CY 2020 and is estimated to grow at a CAGR of 11.9% till CY 2025. Staple and processed foods are being increasingly industrially produced in many developing economies allowing for standardised and fortified healthy nutritious food. Covid-19 has exacerbated nutritional deficiencies in low- and middle-income countries among vulnerable demographies, increasing the need for fortified and therapeutic food. The Indian food fortification premix market was valued at USD 80.0 million in CY 2020 and is expected to reach USD 149.6 million in CY 2026. The global premix industry grew from USD 4.4 billion in CY 2018 to around USD 5 billion in CY2020 and is expected to grow at a CAGR of 4.4% from CY2021 till CY2026 *(Source: Giract Report)*.

For further details, see "*Industry Overview*" on page 116.

Name of Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters are Arun Purushottam Kelkar, Subhash Purushottam Kelkar, Vikram Arun Kelkar and Dr. Nikhil Arun Kelkar. For further details, see "*Our Promoters and Promoter Group*" on page 215.

Offer Size

Offer [(1)(2)]	Up to [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of [●] per Equity Share), aggregating up to ₹ [●] million
of which:	
Fresh Issue [(1)]	Up to [●] Equity Shares aggregating up to ₹ 1,000.00 million
Offer for Sale [(2)]	Up to 30,113,918 Equity Shares aggregating up to ₹ [●] million

(1) The Offer has been authorised by our Board pursuant to resolution passed on December 7, 2021 and the Fresh Issue has been authorised by our Shareholders pursuant to a resolution passed on December 7, 2021.

(2) *Each of the Selling Shareholders, severally, have confirmed that the Equity Shares being offered by such Selling Shareholder in the Offer for Sale, are eligible to be offered for sale in the Offer in accordance with the SEBI ICDR Regulations. Certain details of the Selling Shareholders are set out below. For more details, see "Other Regulatory and Statutory Disclosures" beginning on page 336.*

Objects of the Offer

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

Particulars	**Amount (₹ in million)**
Repayment and/or pre-payment, in full and/or part, of certain borrowings of our Company and our Subsidiaries, HNEPL and HNIPL	335.00
Funding incremental working capital requirements of our Company	150.00
Funding capital expenditure requirements towards expanding our existing facility at Nashik	191.73
Investment in our Subsidiary, HNIPL for financing capital expenditure requirements at our existing facility at Thoothukudi	71.47
General corporate purposes [(1)]	[●]
Total Net Proceeds	[●]

(1) To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the gross proceeds from Fresh Issue.

For further details, see "*Objects of the Offer*" beginning on page 90.

Aggregate pre-Offer shareholding of Promoters and Promoter Group

The aggregate pre-Offer shareholding of our Promoters and Promoter Group as a percentage of the pre-Offer paid-up equity share capital of our Company is set out below:

S. No	**Name of the Shareholder**	**No. of Equity Shares held**	**Precentage of the pre-Offer paid up Equity Share capital (%)**
Promoters			
A.	Vikram Arun Kelkar	25,945,044	23.48
B.	Arun Purushottam Kelkar	24,346,406	22.03
C.	Subhash Purushottam Kelkar	24,188,993	21.89
D.	Dr. Nikhil Arun Kelkar	21,216,068	19.20
	Total (A)	**95,696,511**	**86.60**
Promoter Group			
A.	Anuradha Arun Kelkar	9,053,059	8.19
B.	Nutan Subhash Kelkar	3,608,142	3.27
C.	Aditya Kelkar	1,526,092	1.38
	Total (A)	**14,187,293**	**12.84**
	Total (A+B)	**109,883,804**	**99.44**

Pre-Offer shareholding of the Selling Shareholders

The shareholding of the Selling Shareholders as on the date of this Draft Red Herring Prospectus is set forth below:

S. No	**Selling Shareholder**	**No. of Equity Shares held**	**Percentage of the pre-Offer paid up Equity Share capital (%)**
A.	Arun Purushottam Kelkar	24,346,406	22.03
B.	Subhash Purushottam Kelkar	24,188,993	21.89
C.	Anuradha Arun Kelkar	9,053,059	8.19
D.	Nutan Subhash Kelkar	3,608,142	3.27
E.	Somerset Indus Healthcare Fund I Limited	1,000	Negligible

F.	Mayur Sirdesai	100	Negligible

For further details, see "*Capital Structure*" beginning on page 72.

Summary of Financial Information

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

(₹ in millions)

Particulars	As at and for the six months period ended September 30, 2021	As at and for the Fiscal		
		2021	2020	2019
Equity Share capital	110.50	110.50	110.50	110.50
Net worth (1)	1,530.60	1,380.26	1167.36	992.47
Total Income	1,269.22	2,154.35	2,108.26	2,359.02
Profit after tax	152.09	228.61	185.67	148.25
Earnings per share (basic and diluted)				
- Basic (in ₹) (2) *	1.38	2.07	1.68	1.34
- Diluted (in ₹) (3) *	1.24	1.86	1.51	1.21
Net asset value per Equity Share (in ₹) (4)	13.85	12.49	10.56	8.98
Total borrowings	244.33	202.65	336.50	302.49

**Not annualised*

(1) *"Net Worth" means the aggregate value of the paid-up share capital of our Company and all reserves created out of profits and securities premium account and debit or credit balances as per the restated statement of assets and liabilities of our Company in the Restated Consolidated Financial Statements;*
(2) *Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period*
(3) *Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year/ period.*
(4) *Net Asset Value per share = Net Worth at the end of the year/period divided by total number of equity shares outstanding at the end of year/ period*

For further details, see "*Financial Statements*" on page 223.

Qualifications by the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Statements

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

Summary of outstanding litigations

A summary of outstanding litigation proceedings involving our Company, Directors, Promoters and Subsidiaries, to the extent applicable, as on the date of this Draft Red Herring Prospectus is provided below:

Nature of Cases	Number of Cases	Amount involved* *(in ₹ million)*
Proceedings involving our Company		
Criminal	2	0.43
Tax	-	-
Other pending litigations	-	-

Nature of Cases	Number of Cases	Amount involved* *(in ₹ million)*
Proceedings involving our Directors and Promoters		
Criminal	1	1.00
Tax	-	-
Other pending litigations	-	-
Proceedings involving our Subsidiaries		
Criminal	-	-
Tax	-	-
Other pending litigations	4	USD 0.77

**To the extent quantifiable.*

For further details, see "*Outstanding Litigation and Material Developments*" beginning on page 329.

Risk factors

Investors should see "*Risk Factors*", beginning on page 29 to have an informed view before making an investment decision in the Offer.

Summary of contingent liabilities and commitments

The details of our contingent liabilities and commitments as disclosed in the Restated Consolidated Financial Statement are set forth in the table below:

(₹ in millions)

Particulars	As of September 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Contingent liabilities	-	15.36	73.20	-
Capital commitments (to the extent not provided for)	18.63	27.77	9.60	1.62
Corporate Guarantee	439.40	352.20	352.00	384.50
Bank Guarantee	73.95	17.85	70.61	-
Statutory dues	-	2.25	2.59	-

For further details, see "*Restated Consolidated Financial Statements –Note 37: Contingent liabilities disclosures as required under Indian Accounting Standard 37, "Provisions, Contingent Liabilities and Commitments Contingent Assets*" on page 280.

Summary of related party transactions

A summary of related party transactions entered into by our Company with related parties and as disclosed in the Restated Consolidated Financial Statements is set forth below:

A) Related Party Transaction of Hexagon Nutrition Limited with:

1) Hexagon Nutrition (Exports) Private Limited

Sr. No.	Nature of Transaction	September 30, 2021	March 31, 2021	March 30, 2020	March 30, 2019
1.	Purchase of Goods	36.88	54.59	51.17	81.09
2.	Sale of Goods	2.90	14.14	7.51	2.38
3.	Sales of MEIS Script	-	1.27	-	-
4.	Jobwork charges paid	-	-	-	5.71
5.	Sale of Capital Items	-	-	0.15	-

6.	Purchase of Capital Items	-	-	0.61	-
7.	Financial Bank Guarantee	250.50	260.50	260.50	293.00
8.	Business Export Service Income	-	-	4.56	3.93
9.	ESOP Expenses Recovered	-	-	1.16	0.58
	Amount due to Related Parties	33.47	28.49	37.46	72.98
	Amount due from Related Parties	0.08	-	1.86	5.10

2) Hexagon Nutrition (International) Private Limited

Sr. No.	Nature of Transaction	September 30, 2021	March 31, 2021	March 30, 2020	March 30, 2019
1.	Purchase of Goods	10.02	41.45	51.83	25.84
2.	Sale of Goods	0.08	3.22	2.71	33.54
3.	Sales of MEIS Script	-	1.24	0.26	-
4.	Jobwork charges paid	-	-	-	9.66
5.	Sale of Capital Items	-	3.46	-	2.16
6.	Purchase of Capital Items	-	-	0.94	-
7.	Financial Bank Guarantee	188.90	91.70	91.50	91.50
8.	Business Export Service Income	-	-	4.19	3.93
9.	ESOP Expenses Recovered	-	-	0.05	0.13
10.	Loan Given	70.00	34.22	39.00	25.75
11.	Loan Repayment Received	7.50	94.26	15.46	15.00
12.	Interest on Loan Given	2.09	4.82	4.61	4.16
	Amount due to Related Parties	-	-	3.41	9.11
	Amount due from Related Parties	0.02	0.27	2.94	44.35

3) Nutralytica Research Private Limited

Sr. No.	Nature of Transaction	September 30, 2021	March 31, 2021	March 30, 2020	March 30, 2019
1.	Sale of Goods	-	-	-	0.00
2.	Testing and Analysis Charges Paid	16.68	20.00	11.49	15.91
3.	Business Support Service Income	-	-	0.82	0.79
4.	ESOP Expenses Recovered	-	-	0.05	0.07
5.	Loan Given	3.17	2.60	11.73	2.79

6.	Loan Repayment Received	1.50	8.50	-	3.53
7.	Interest on Loan Given	0.85	1.75	1.65	1.14
	Amount due to Related Parties	10.12	2.23	0.11	0.98
	Amount due from Related Parties	-	-	-	0.85

4) Hexagon Nutrition Healthcare Private Limited

Sr. No.	Nature of Transaction	September 30, 2021	March 31, 2021	March 30, 2020	March 30, 2019
1.	Capital Contribution	-	-	0.10	-

5) Hexagon Nutrition Proprietary Limited

Sr. No.	Nature of Transaction	September 30, 2021	March 31, 2021	March 30, 2020	March 30, 2019
1.	Capital Contribution	-	-	3.23	-
2.	Loan Given	-	7.33	4.28	-
3.	Loan Repayment Received	-	-	-	-
4.	Interest on Loan Given	0.28	0.33	0.05	-
	Amount due to Related Parties	-	-	-	-
	Amount due from Related Parties	-	-	-	-

6) Hexagon Nutrition LLC

Sr. No.	Nature of Transaction	September 30, 2021	March 31, 2021	March 30, 2020	March 30, 2019
1.	Sale of Goods	21.31	-	-	-
2.	Sale of Capital Items	0.74	-	-	-
3.	Capital Contribution	-	-	0.72	-
4.	Loan Given	-	29.38	32.25	-
5.	Loan Repayment Received	-	-	-	-
6.	Interest on Loan Given	1.29	1.57	0.13	-
	Amount due to Related Parties	-	-	-	-
	Amount due from Related Parties	5.21	-	-	-

7) Hexagon Nutrition China Limited

Sr. No.	Nature of Transaction	September 30, 2021	March 31, 2021	March 30, 2020	March 30, 2019
1.	Loan Given	7.53	-	-	-

2.	Loan Repayment Received	-	-	-	-
3.	Interest on Loan Given	0.02	-	-	-

B) Transaction with Key Managerial Personnel (KMP) and their Relatives:

Name of Key Management Personnel and Relatives	September 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Key Management Personnel	**Director's Remuneration**			
Arun Purushottam Kelkar	4.53	9.44	8.47	7.31
Anuradha Arun Kelkar	-	3.07	7.25	6.25
Dr. Nikhil Arun Kelkar	4.40	9.07	7.82	6.74
Vikram Arun Kelkar	5.39	11.16	9.59	7.87
Subhash Purushottam Kelkar	4.08	8.50	7.62	5.85
Aditya Subhash Kelkar	1.87	3.95	3.65	2.55
Vinay Deshmukh	-	-	-	0.53
Vijaykumar Ramteke	-	-	-	0.20
	September 30, 2021	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Key Managerial Person	**Rent**			
Arun Purushottam Kelkar	-	0.07	0.27	0.32
Subhash Purushottam Kelkar	-	0.25	0.18	-
Amount due to Related Parties	-	-	0.02	0.03
	September 30, 2021	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Key Managerial Person	**Salary**			
Guman mal Jain	0.43	-	-	-
Surabhi Dubey	-	-	0.15	0.59
Poonam Sharma	0.29	0.54	0.26	-
	September 30, 2021	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Relatives under significant influence	**Salary**			
Nutan Subhash Kelkar	0.83	1.66	1.66	1.66
	September 30, 2021	**March 31, 2021**	**March 31, 2020**	**March 31, 2019**
Relatives under significant influence	**Rent**			
Madhu G Gokhale	-	-	0.17	-

For further details, see "*Restated Consolidated Financial Statements – Note 39: Related party disclosures as required under Indian Accounting Standard 24*" beginning on page 282.

Financing Arrangements

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

Weighted average price at which the Equity Shares were acquired by the Selling Shareholders including

Promoters in the one year preceding the date of this Draft Red Herring Prospectus

None of the Promoters have acquired any Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus. The Selling Shareholders have not acquired any Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

Average cost of acquisition of Equity Shares by the Promoter and Selling Shareholders

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

S. No	Name of Promoter	No. of Equity Shares held	Average cost of Acquisition per Equity Share (in ₹) *
A.	Vikram Arun Kelkar	25,945,044	0.43
B.	Arun Purushottam Kelkar	24,346,406	0.48
C.	Subhash Purushottam Kelkar	24,188,993	0.65
D.	Dr. Nikhil Arun Kelkar	21,216,068	1.05

**As certified by Statutory Auditors by way of their certificate dated December 21, 2021.*

The average cost of acquisition of Equity Shares held by the Selling Shareholders are set forth in the table below:

S. No	Name of Selling Shareholder	No. of Equity Shares held	Average cost of Acquisition per Equity Share (in ₹) **
A.	Arun Purushottam Kelkar	24,346,406	0.48
B.	Subhash Purushottam Kelkar	24,188,993	0.65
C.	Anuradha Arun Kelkar	9,053,059	0.28
D.	Nutan Subhash Kelkar	3,608,142	0.51
E.	Somerset Indus Healthcare Fund I Limited*	1,000	20.48
F.	Mayur Sirdesai *	100	20.48

***As certified by Statutory Auditors by way of their certificate dated December 21, 2021.*
**As on the date of this Draft Red Herring Prospectus, Somerset holds 12,135,056 CCPS and Mayur Sirdesai holds 73,156 CCPS. All the outstanding CCPS shall be converted into maximum 12,276,818 Equity Shares comprising 12,203,250 Equity Shares to Somerset and 73,568 Equity Shares to Mayur Sirdesai prior to filing the Red Herring Prospectus with the RoC. Accordingly, the average cost of acquisition per Equity Share by each of the Selling Shareholders will be recomputed prior to filing of the Red Herring Prospectus with the RoC.*

Details of pre-IPO Placement

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus until grant of listing and trading permission by the Stock Exchanges for the Equity Shares.

Issuance of equity shares for consideration other than cash in the last one year

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

Split/consolidation of Equity Shares in the last one year

There has been no split or consolidation of the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

SECTION II - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below may not be exhaustive or the only ones relevant to us, the Equity Shares or the industry segments in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently do not deem material may arise or may become material in the future. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks mentioned below. If any or a combination of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and investors may lose all or part of their investment. Further, some events may be material collectively rather than individually.

In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Industry Overview", "Our Business", "Key Regulations and Policies", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Outstanding Litigation and Material Developments" on pages 116, 149, 171, 310 and 329, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. Potential investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to legal and regulatory environment which may differ in certain respects from that of other countries.

This Draft Red Herring Prospectus also contains forward-looking statements that involves risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. See "Forward- Looking Statements" on page 19. Unless the context requires otherwise, all financial information included herein is derived from our Restated Consolidated Financial Statements included in "Financial Statements" beginning on page 223.

*Unless stated otherwise, industry and market data used in this section has been obtained or derived from the report titled "Strategic Market Assessment of nutrition and food fortification 2021-2026" dated December 2, 2021, prepared and issued by Giract (the "**Giract Report**") and "Industry Research Report on Food Premix Sector in India" dated December 2021 prepared by CARE Advisory Research and Training Limited ("**Care Report**") (which is a paid report and was commissioned by us in connection with the Offer). Unless otherwise indicated, all financial, operational, industry and other related information derived from the Giract Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see - Certain sections of this Draft Red Herring Prospectus contain information from CARE and Giract which has been exclusively commissioned and paid for by our Company and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 49. Also see, "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and Market Data" on page 15.*

Internal Risks relating to our Business

1. We are heavily reliant on the premix formulation segment and certain customers in that segment. We also derive a significant part of our revenue from select customers

Our revenues are generated from 3 broad business segments viz., branded nutrition products, premix formulations and, ready to use foods and micronutrient powders. Of these, in the six months ended September 30, 2021, and the financials years ended March 31, 2021, March 31, 2020 and March 31, 2019, the revenue from the premix forumulation segment was ₹ 816.10 million, ₹ 1,459.70 million, ₹ 1,430.84 million and ₹ 1,482.75 million constituting 65.35%, 69.52%, 70.19% and 64.29% of our total consolidated revenues from operations.

Further, in the six months ended September 30, 2021, and the financials years ended March 31, 2021, March 31, 2020 and March 31, 2019, we generated ₹ 645.76 million, ₹ 872.69 million, ₹ 747.63 million, ₹ 1,071.98 million from our top 10 customers constituting 51.71%, 41.56%, 36.68%, and 46.48%, of our total consolidated revenue.

We expect that we will continue to be heavily reliant on the premix segment and a select group of customers for the foreseeable future. If we are unable to reduce our dependence on premix formulation segment, and our select customers, our operations will continue to be intrinsically linked to continuance of these relationships. Accordingly, any failure to retain these customers and/or a reduction in demand in this segment or from the select customers, could have an adverse impact on our business, results of operations and financial condition.

2. ***Sale of expired products or supply of defective products or products that are non-compliant with applicable standards, could damage our reputation and have a significant adverse effect on our business, operating results, cash flows and/or financial condition***

We supply our products both in India and to the overseas markets. The product manufactured by us must be compliance with prescribed and applicable standards. If any products are sold past their expiration date (or sell by date), or we supply products that are defective or non-compliant with prescribed standards, as applicable, we could be subject to *inter alia* punitive action. Any of the above could also arise out of factors beyond our control such as counterfeit products being introduced into the supply chain, product tampering, or mishandling of our products and we may not be able to avoid significant liability exposure even if we take appropriate precautions. Any liability that we may have as a result could have a material adverse effect on our business, financial condition and results of operations, to the extent insurance coverage for such liability is not available. Any liability claims in the future, regardless of their ultimate outcome, could have a material adverse effect on our reputation, our ability to attract and retain customers and may detrimentally divert management's attention away from the business.

3. ***We do not maintain long-term contracts with our third-party suppliers, and our business may be adversely affected by a shortfall in supply, or increase in price of raw materials*.**

We require certain raw materials such as vitamins, whey protein, MCT powder, minerals, ascorbic acid plain, fructose, spray dried corn fat etc. for our manufacturing operations. Substantially all our raw materials are purchased from third parties. We do not have any long-term supply contracts with any of our specific suppliers with respect to our raw material requirements and typically place orders with them in advance of our anticipated requirements. We utilise a variety of raw materials in our products, including vitamin, whey protein, mineral, flavours, fat powders, fructose, riboflavin fine powder, maltodextrin, edible oils etc, and the availability of these products is subject to many risks, including insect or animal infestation, adverse weather conditions, adverse ground conditions and natural and other disasters. Certain agricultural raw materials are available only at specific times during a year due to the seasonality of growing periods and harvest times in India.

Furthermore, raw materials are subject to price volatility caused by factors, including commodity market fluctuations, the quality and availability of supply, currency fluctuations, consumer demand and changes in governmental agricultural programs. Raw material price increases result in corresponding increases in our raw material costs. We also face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure raw materials from alternate suppliers in a timely fashion, or on terms acceptable us, may adversely affect our operations.

Further, during the six months period ended September 30, 2021 and Fiscals 2021, 2020 and 2019, the costs of material consumed, purchases of stock in trade and changes in inventories of finished goods and stock in process, amounted to ₹ 643.83 million, ₹ 1,136.38 million, ₹ 1,084.13 million and ₹ 1,328.12 million, respectively and accounted for 51.55%, 54.12%, 53.18% and 57.58% of our revenue from operations, respectively. We also expect that we will continue to incur raw material related expenditure denominated in foreign currency. Accordingly, our operating results have been, and will continue to be, impacted by fluctuations in the exchange rate between the Indian Rupee and other foreign currencies in particular the US Dollar. Further, any adverse change in Indian customs levies or an embargo on import of any raw material from specified countries or completely, could have adverse impact on our business, results of operations and financial condition.

We rely on the adequate and timely availability of key input materials. Any supply chain disruptions may impact our raw material sourcing, which in turn may impact our ability to fulfil any client contracts. Any significant change in the cost structure or disruption in supply may affect the pricing and supply of products. If we are not able to increase our product prices to offset increased raw material costs, or if unit volume sales are significantly reduced, it could have an adverse impact on our profitability. This may adversely affect our business and financial performance.

4. ***Our efforts to introduce new products are dependent on the success of our research and development initiatives. Our inability to successfully develop and commercialise new products in a timely manner could adversely impact our business, growth and financial condition.***

In order to remain competitive, we must develop, test and manufacture new/ distinctive products, which must meet our customers' standards and applicable regulatory standards. We have established a dedicated research and development facility at each of our facility located at Nashik and Chennai where we constantly try and develop new/ distinctive products. However, our investments in research and development for new products and processes may result in higher costs without proportionate increase in revenues. Any failure on our part to successfully identify and commercialise new products may have an adverse on our business, financial condition and results of operations.

Our ability to successfully introduce new and distinctive products also depends on our ability to adapt and invest in new technologies. There can be no assurance that we will be able to make timely investments in technological improvements in order to commercialise new products in a timely manner. Further, our competitors may launch competing or improved products. Delays or failure in developing new or commercially viable products could adversely affect our business, financial condition and results of operations.

5. ***Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations could materially and adversely affect our business, prospects, cash flows, results of operations and financial condition.***

Our operations are subject to extensive government regulation and in respect of our existing operations we are required to obtain and maintain various statutory and regulatory permits, certificates and approvals including approvals under the Food Safety and Standards Act, 2006 (the "**FSSA**") and the rules and regulations thereunder, Legal Metrology Act, 2006, environmental approvals, factory licenses and labour and tax related approvals, among other things. Certain material consents, licenses, registrations, permissions and approvals that are required to be obtained by our Company for undertaking its business there are valid for prescribed period of time and have to be renewed in the normal course and our Company has either made an application to the relevant Central or State government authorities for renewal of such licenses, consents, registrations, permissions and approvals or is in the process of making such applications. There can be no assurance that the relevant authorities will issue such permits or approvals in time or at all. Failure or delay in obtaining or maintaining or renew the required permits or approvals within applicable time or at all may result in interruption of our operations. Further, the relevant authorities may initiate penal action against us, restrain our operations, impose fines/penalties or initiate legal proceedings for our inability to renew/obtain approvals in a timely manner or at all. Consequently, failure or delay to obtain such approvals could have a material adverse effect on our business, financial condition and profitability. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, be required to alter our manufacturing and/or procurement operations or otherwise suffer disruption in our activities, any of which could adversely affect our business.

The approvals required by us are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action, these registrations, approvals or licenses are liable to be cancelled or the manufacture or sale of products may be restricted. In case any of these registrations, approvals or licenses are cancelled, or its use is restricted, then it could adversely affect our results of operations, future cash flows or growth prospects. Additionally, failure to obtain or renew relevant approvals, licenses ete., could also subject to our senior management or board of director to legal or regulatory action.

6. ***The availability of look-alikes, counterfeit products, primarily in our domestic market, manufactured by other companies and passed off as our products, could adversely affect our goodwill and results of operations.***

We are exposed to the risk that certain entities in India and overseas where our products are marketed, could pass off their products as ours to create look alike and counterfeit products. For example, certain entities could create spurious and pirated products. The measures we take to protect our brands and other intellectual property include relying on Indian laws and initiating legal proceedings, may not be adequate to prevent unauthorised use of them by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving and could involve substantial risks to us. Detecting and protecting against the unauthorised use of our products, technology and proprietary rights is expensive, difficult and, in some cases, impossible. The proliferation of unauthorised copies of our products, and the time lost in defending claims and complaints about spurious products could decrease the revenue we receive from our products and have a material adverse effect on our reputation, business, financial condition and results of operations.

7. ***We may be subject to product liability claims from our customers our premix formulations. Any claims arising from such liabilities may harm our reputation, require us to incur substantial costs and/or have an adverse impact on our business, financial conditions and results of operations.***

We are subject to product liability claims with respect to quality and defects in our products in India as well as in other countries where we sell our products. Our clients will be required to comply with certain quality standards for the products supplied by them to their customers and in turn, our Company may be required to enable them to meet certain quality requirements prescribed by our clients. In case we are unable to provide the prescribed quality standards which enables our clients to meet the quality standards prescribed by them we may not able to retain such clients which could result in substantial business losses. Defects, if any, in our products could lead to rejection of supplied products and consequential replacement liability. However, we have not experienced any product liability claims with respect to quality and defects in our products in the past, which had material impact on the financial and result of operations of our Company in the preceding three Fiscals and six months period ended on September 30, 2021. In the event, our Company fails to maintain the quality of its products or if there is any major defect in our products in future, we could be made liable to the customers and the same could consequently lead to a negative publicity against our Company thereby affecting our brand value, reputation, business, results of operations and financial condition. Management resources could also be diverted away from our business towards defending such claims. Although, our Company has a product liability insurance policy, in the event, there are any liabilities arising from such claims, our business, financial performance and results of operations may be adversely affected. We cannot assure you that no such claims will be brought against us in the future or that such claims will be settled in our favour. Any such successful claims against us could adversely affect our business, financial condition and results of operations.

8. ***Our failure in maintaining our quality accreditations and certifications may negatively impact our brand and reputation.***

We have received a number of quality assurance certifications and accreditations which have certified that our manufacturing facilities are in compliance with globally accepted manufacturing practices and quality standards. For instance, our manufacturing facilities are certified with Food Safety System Certificate FSSC 22000 consisting of ISO 22000:2018, ISO/TS220002-1 2009 and Addition FSSC 22000 requirement and registration certificate from Jamiat Ulama Halal Foundation for specified products. We have obtained certification confirming compliance with the requirements of Good Manufacturing Practice certification in the "manufacturing of dry and liquid micronutrient premixes". If we are unable to renew the FSSC and ISO accreditations or other certifications, our brand and reputation could be adversely affected. Any significant damage to our reputation and/or brand caused by being denied such accreditations and certifications could have a material adverse effect on our ability to attract new and repeat customers and, as a result, adversely affect our business, financial condition, results of operations or prospects.

9. ***Our historical installed capacities and capacity utilization of our facilities included in this Draft Red Herring Prospectus need not be an indication of future production capacity and capacity utilization. Further, our existing capacities are under utlised.***

The historical installed capacities and capacity utilization of our facilities included in this Draft Red Herring Prospectus is based on various factors, including existing operational needs, availability of raw materials, potential plant utilization levels, downtime resulting from scheduled maintenance activities, downtime resulting from change in SKUs for a particular product, unscheduled breakdowns, as well as other factors affecting operational efficiencies. However, there can be no assurance that the entire capacity will be available to us at all times or that actual production levels and utilisation rates will bear resemblance or be in line with historical performance. Our future production levels may therefore vary significantly from the historical data.

Our capacity utilisation in the six months ended September 30, 2021, and financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 is set out below.

Financial Year	Description	Premix including	Clinical nutrition	RUTF/MNP

		dry and oil premix		
Six months period ended September 30, 2021	Capacity Utilisation (%)	26.40%	33.70%	29.00%
Fiscal 2021	Capacity Utilisation (%)	32.40%	29.10%	37.40%
Fiscal 2020	Capacity Utilisation (%)	53.50%	35.00%	1.80%
Fiscal 2019	Capacity Utilisation (%)	53.90%	32.50%	7.70%

(Source: Certifcate dated December 15, 2021 by C Ravi Shankar, Chartered Engineer)

In addition, capacity utilization is calculated differently in different countries, industries and for the kinds of products we manufacture.

Therefore, undue reliance should therefore not be placed on our installed capacity or historical capacity utilization information for our existing facilities included in this Draft Red Herring Prospectus. For further information, see "*Our Business*" on page 149.

10. The success of our business strategy depends on our ability to enhance our own brands and product portfolio. If we fail to maintain and enhance our brand and reputation, consumers' recognition of our brands, and trust in us, our business may be materially and adversely affected.

Our brand and reputation are among our most important assets and we believe our brands serve in attracting consumers to our products in preference over those of our competitors. Enhancing our own brands, including "PENTASURE", "OBESIGO" and "PEDIAGOLD", is a key component of our business strategy. Consumers in existing or new markets may be unfamiliar with our brand and products and we may need to build or increase brand awareness in the relevant markets by increasing investments in advertising and promotional activities than we originally planned. We face, and will continue to face, competition with established brands in the new markets we intend to enter. We have incurred, and may continue to incur in the future, significant expenditures for advertising and marketing campaigns in an effort to build brand awareness and achieve preference over competing products. We may not be successful in our efforts to expand our brand presence and we cannot guarantee that our advertising and marketing campaigns will result in customer or consumer acceptance of our brands. Our success in marketing our products also depend on our ability to adapt to a rapidly changing market environment, included our increasing reliance on direct marketing initiative. For six months period ended September 30, 2021, the Fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019, we have incurred a marketing expenditure (including schemes, brokerage and commissions) of ₹ 19.12 million, ₹ 30.59 million, ₹ 44.93 million and ₹ 69.02 million, respectively representing 1.53%, 1.46%, 2.20% and 2.99% of our total revenue. Further, product defects, consumer complaints, or negative publicity or media reports involving us, or any of our products could harm our brand and reputation and may dilute the impact of our branding and marketing initiatives and adversely affect our business and prospects.

Further, we continue to leverage our ability to implement new product launches to further grow our business and diversify our product portfolio. We have launched and/ or introduced products such as (i) Penta Sure Fiber (ii) Carboload and (iii) Penta Sure Whey Protein Max, in the branded nutrition product category in the last three Fiscals. While we have managed to develop and launch new products to meet the evolving preference of consumers in the past, we cannot assure you that we will be able to successfully implement such strategies in the future. Further, we cannot assure you that we will successfully be able to identify opportunities, develop and introduce new products in a timely manner or at all, price such new products at optimal levels, modify and upgrade, achieve market acceptance of our products, or that products offered by our competitors will not render our products non-competitive. Our failure to respond successfully to any of these challenges will significantly harm our results of operations and financial condition.

The impact of our marketing initiatives may not be as effective as we anticipate. If we do not successfully maintain, extend and expand our reputation and brand image, then our brands, product sales, financial condition, future cash flows and results of operations could be materially and adversely affected.

11. Our facilities are subject to client inspections and quality audits and any failure on our part to meet their expectations or to comply with the quality standards set out in our contractual arrangements, could result

in the termination of our contracts and adversely affect our business, results of operations, financial condition and cash flows.

Our products and manufacturing processes are subject to stringent quality standards, and may also be subject to client inspections and quality audits by our customers at regular intervals. We believe that we undertake the necessary measures to ensure that our facilities comply with the applicable standards as imposed by our customers. The quality of our products depends on the effectiveness of our quality control system, which, in turn, depends on a number of factors, including the design of our system, our quality control training program, and the implementation and application of our quality control policies and guidelines. Any significant failure or deterioration of our quality control system could result in defective or substandard products. Any failure on our part to maintain the applicable standards and manufacture products according to prescribed specifications, may lead to loss of reputation and goodwill of our Company, cancellation of the order and even lead to loss of customers. Additionally, it could also expose us to monetary liability and/ or litigation.

Our business also requires obtaining and maintaining quality certifications and accreditations from independent certification entities. Our facility located at Chennai and Thoothukudi have been audited and approved by Intertek on behalf of the Global Alliance for Improved Nutrition ("**GAIN**"). Such specifications and standards of quality is an important factor in the success and acceptability of our products. If we fail to comply with applicable quality standards or if the relevant accreditation institute or agency declines to certify our products, or if we are otherwise unable to obtain such quality accreditations in the future, in a timely manner or at all, our business and results of operations will be adversely affected.

12. We depend heavily on our channel partners such as distributors and retailers for our branded nutrition products and failure to manage the distribution network efficiently will adversely affect our performance.

We are dependent on the distributors for the distribution of our products including the 25 regional distributors in Latin America, South East Asia, Africa and the Middle East and our ability to expand and grow our product reach significantly depends on the reach and effective management of our distribution network. During the six months ended September 30, 2021, our Company targeted reaching out to around 11,000 healthcare professionals across India through our over 100 member sales force to recommend our brands. We also utilise online marketplaces and e-commerce systems to increase our products market penetration and reach. We continuously seek to increase our reach by appointing new distributors targeted at different customer groups in various geographical segments. We cannot assure you that we will be able to successfully identify or appoint new distributors or effectively manage our existing distribution network. If the terms offered to such distributors by our competitors are more favourable than those offered by us, distributors may decline to distribute our products and terminate their arrangements with us. There can be no assurance that we will be successful in continuing to receive uninterrupted, high quality of service from these channel partners for all our current and future products.

Furthermore, our competitors may have exclusive arrangements with distributors and therefore such distributors may be unable to stock and distribute our products, which may limit our ability to expand our distribution network. A deterioration of our relationship with the distributors may have an adverse effect on our business, financial condition, cash flows and results of operations. We may also face disruptions in the delivery of our products for various reasons beyond our control, including poor handling by distributors of our products, transportation bottlenecks, natural disasters and labour issues, which could lead to delayed or lost deliveries. If our distributors fail to distribute our products in a timely manner, or adhere to the terms of the distribution agreement, or if our master distribution agreements are terminated, our business and results of operations may be adversely affected.

13. Any disruption in production at, or shutdown of, our manufacturing facilities or breakdown of machinery could have material adverse effect on our business and financial condition. Further, we may face disruptions to our manufacturing schedules to various factors, including, labor issues, accidents and such disruptions could have an adverse effect on our operations, growth, and profitability

Our manufacturing operations and consequently our business is dependent upon our ability to manage the manufacturing facilities, which is subject to operating risks, including those beyond our control. In the event of any disruptions at our manufacturing facilities or breakdown of machinery, due to natural or man-made disasters, workforce disruptions, fire, failure of machinery, lack of continued access to assured supply of electrical power and water at reasonable costs, changes in the policies of the states or local government or authorities or any significant social, political or economic disturbances or civil disruptions or other factors, our ability to manufacture our products may be adversely affected.

We depend on expensive machinery to manufacture our products and any breakdown of such machinery could result in us being unable to meet our commitments or require us to incur significant capital expenditure. We manufacture our products through three manufacturing facilities across two states in India (one in Maharashtra and two in Tamil Nadu). In case of any significant social, political or economic disruption, or natural calamities or civil disruptions in Maharashtra or Tamil Nadu, or changes in the policies of the respective states or local governments, or disruptions in and around our facilities, we may be required to suspend our operations in such facility resulting in delays or inability to manufacture the relevant products for the duration of shutdown. Any prolonged suspension or disruption of our operations at our manufacturing facilities will have an adverse effect on our business, results of operation and financial condition.

Further, we cannot assure you that we will not experience work disruptions in the future resulting from any dispute with our employees or other problems associated with our employees and the labour involved in our manufacturing facilities, which may impair our operations and adversely affect our business, results of operations and financial condition.

Our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, natural disasters, industrial accidents and the need to comply with new directives of the relevant government authorities.

Further, we are required to carry out planned shutdowns of our various manufacturing facilities for routine and preventative maintenance, statutory inspections and testing. We also need to shut down our various units, from time to time, for capacity expansions, enhancements and equipment upgrades. Any disruptions in the operations of our facilities may have a material adverse impact on our business, financial condition and results of operations. While we take precautions to minimize the risk of any significant operational problems at our facilities, there can be no assurance that our business, financial condition and results of operations will not be adversely affected by disruptions caused by operational problems at our facilities. While we consider our current labour relations to be good, and we have measures in place aimed at maintaining balanced employee relations, there can be no assurance that we will not experience future disruptions in our operations, due to disputes or other problems with our employees.

Moreover, we are subject to stringent labour laws, and any violation of these laws may lead regulators or other authorities to order a suspension of some or all of our operations. Any of the foregoing events could adversely affect our business and results of operations.

14. ***The improper handling, processing or storage of our products or raw materials, or spoilage of and damage to such products or raw materials, or any real or perceived contamination in our products or raw materials, could subject us to regulatory action, damage our reputation and have an adverse effect on our business, results of operations and financial condition.***

Our products and raw materials are subject to risks such as contamination, adulteration, product labelling error and product tampering during their manufacture, transport or storage. Although our products are tested extensively at our facilities, we cannot assure you that the quality tests conducted by us will be accurate at all times. Also, edible oils are required to be stored, handled and transported at specific temperatures and under certain food safety conditions. Any shortcoming in the production or storage of our products due to negligence, human error or otherwise, may damage our products and result in non-compliance with applicable regulatory standards. Any actual or alleged contamination of our products or raw materials could damage our reputation, adversely affect our sales and result in legal proceedings being initiated against us, irrespective of whether such allegations have any factual basis. However, our Company has not faced any instance of spoilage of and damage to such products or raw materials, or any real or perceived contamination in our products or raw materials which had material impact on the financial and result of operations of our Company in the preceding three Fiscals and six months period ended on September 30, 2021.

Any allegation relating to, or the discovery of, unauthorised contaminants in our products or raw materials processed by us, which causes or is alleged to cause injury or illness, allegations that our products were mis-labelled, were not produced in accordance with our customer's specifications and/or have not performed adequately, even where food safety or other product safety is not a concern could damage our reputation, adversely affect our sales and may cause product liability or other legal proceedings being initiated against us and our customers, irrespective of whether such allegations have any factual basis.

We may also be subject to regulatory action and mandatory product recalls. We cannot assure you that we will not be subject to such product liability claims in the future or that our insurance coverage will be adequate to cover all such liabilities, whether or not legitimate, or product recalls, whether voluntary or mandatory. Defending such claims or regulatory action could be time-consuming and may also result in unexpected expenditures, and our reputation, business, financial condition, cash flows and results of operations may be adversely affected.

15. ***We have not entered into any long term or definitive agreements with our customers. If our customers choose not to source their requirements from us, our business, financial condition and results of operations may be adversely affected.***

We have not entered into any long term or definitive agreements with our customers for premix formulations, RUFs and MNPs, and instead rely on purchase orders to govern the volume, pricing and other terms of sales of our products. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place, we may be unable to seek compensation for any unpurchased products that we manufacture. Our customers do not, typically, place firm purchase orders until a short time before the products are required from us as a result of which, we do not hold a significant order book at any time, making it difficult for us to forecast revenue, production or sales. Consequently, there is no commitment on the part of the customer to continue to source their requirements from us, and as a result, our sales from period to period may fluctuate significantly as a result of changes in our customer's vendor preferences.

Additionally, our customers have high and exacting standards for product quantity and quality as well as delivery schedules. Any failure to meet our customers' expectations could result in cancellation of orders. There are also a number of factors other than our performance that are beyond our control and that could cause the loss of a customer. Customers may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, change their outsourcing strategy by moving more work in-house, or return/replace their existing products with alternative products, any of which may have an adverse effect on our business, results of operations and financial condition.

16. ***We are exposed to foreign currency exchange rate fluctuations which may have an adverse effect on our financial conditions.***

We import a number of raw materials from overseas and these imports are denominated in various foreign currencies including USD. Further, we have availed of foreign currency loans denominated in USD and repayment of such loans is also in foreign currency in USD. Further, we also receive a significant component of our revenues denominated in foreign currency including the USD and Euro. For the six months ended September 30, 2021, and during Fiscal 2021, Fiscal 2020 and Fiscal 2019, our revenues from exports constituted 51.56%, 53.92%, 57.74% and 63.18%, respectively, of our total consolidated revenues. The exchange rate between the Indian Rupee and the USD and other foreign currencies has changed considerably in recent years and may fluctuate substantially in the future and the India Rupee has generally depreciated against the USD. Fluctuations in the exchange rate between the Indian Rupee and other currencies could have an adverse impact on our financial condition.

17. ***Success of our branded nutrion products largely depends on our ability to establish effective advertising, marketing and promotional programs.***

Our success depends on our ability to establish effective advertising, marketing and promotional programs, including pricing strategies implemented in response to competitive pressures and/or to drive demand for our products, increase our customer base and increase our market share. Our advertisement and sales promotion expenses were ₹ 10.49 million, ₹14.78 million, ₹28.47 million and ₹42.42 million, respectively for the six months period ended September 30, 2021 and fiscal years ended March 31, 2021, March 31, 2020 and March 31, 2019.

Our pricing strategies and value propositions must be appropriate for our target customers. If we are not able to maintain and increase the awareness of our brand and the products we provide, we may not be able to attract and retain customers and our reputation may also suffer. We expect to incur substantial expenses in our marketing and promotional efforts to both attract and retain customers. However, our marketing, branding and promotional activities may be less successful than we anticipate, and may not be effective at building our brand awareness and customer base. We cannot provide assurance that our current and proposed budget for marketing activities will be adequate to support our future growth. Failure to successfully execute our advertising, marketing and promotional programs may result in material decreases in our revenue and profitability.

18. Our inability to manage our inventory and foresee accurate demand for our products for a future period may adversely affect our reputation, business, results of operation and our financial performance.

The estimations on demands of our products are typically based on our projections, inventory levels at our distribution networks, our understanding of the anticipation of consumption and spending by our consumers. If we overestimate demand for our products, we may face difficulty on storage of such products due to lower shelf life and complications with respect to storage of perishable products. Further, if we are unable to provide our products to our consumers due to any disruptions of our manufacturing facilities or shortage of raw materials, we may incur the risk of customers choosing other products over our products. While we closely monitor our inventory requirements for our product, we may be exposed to various risks including the aforementioned risks. All of these factors could adversely affect our reputation, business, results of operation and our financial performance.

19. Our business subjects us to risks in multiple countries that could materially adversely affect our business, cash flows, results of operations and prospects.

In addition to India, we operate in the South Africa, Uzbekistan and Hong Kong. As a result of our existing and expanding international operations, we are subject to risks inherent to establishing and conducting operations on an international scale, including:

- cost structures and language factors associated with managing and coordinating our international operations;
- compliance with a wide range of regulatory requirements, foreign laws, including immigration, labour and tax laws;
- ability to obtain the necessary approval from Indian authorities and other foreign regulatory authorities, as applicable, for the products which we intend to sell;
- difficulty in managing foreign operations;
- potential difficulties with respect to protection of our intellectual property rights in some countries which may result in infringement by others of our intellectual property rights;
- social, economic, political, geopolitical conditions and adverse weather conditions, such as natural disasters, civil disturbance, terrorist attacks, war or other military action;
- outbreaks of diseases, such as COVID-19, resulting in a widespread health crisis; and
- fluctuation in the exchange rate.

The growth in size or scope of our business, expansion of our footprint in existing regions in which we operate and entry into new markets also will expose us to regulatory regimes with which we have no prior direct experience and expansion into new product areas could lead to our becoming subject to additional or different laws and regulations. If any of these risks materialise, it could have a material adverse effect on our business, cash flows, results of operations and prospects.

20. Certain of our business transactions are entered into with government or government-funded entities in India and overseas and any change in the government policies, practices or focus may adversely affect our business, cash flows and results of operations.

Certain of our business, mainly pertaining to the ESG segmentis dependent on contracts with governmental authorities, medical associations and other entities funded by governments or governmental authorities in the domestic as well as overseas market. If there is any change in the government or in governmental policies, practices or focus that results in a delay in obtaining government contracts, our business, cash flows and results of operations may be adversely affected.

One of the standard conditions in contracts typically awarded by governments or government-backed entities is that the government or entity, as a client, has the right to terminate the contract for convenience, without any reason, at any time after providing us with notice. In the event that a contract is so terminated, our results of operations and cash flows may be adversely affected.

21. We are dependent on third party transportation and logistics providers. Any disruptions in logistics and transportation or significant increase in freight charges could adversely affect our business, financial condition and results of operations.

We depend on the smooth logistics, supply and transportation of the various raw materials required for our manufacturing facilities and of our products from our manufacturing facilities to our customers and distribution partners. We rely on third party logistic services to procure raw materials from our suppliers and for delivery of our products. Expenses towards logistics and freight was ₹ 59.54 million, ₹ 88.15 million, ₹ 62.26 million and ₹ 67.38million for six months period ended September 30, 2021, Fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019, respectively represented 4.77%, 4.20%, 3.05% and 2.92%, respectively of our consolidated revenue from operations for the same period.

We procure raw materials from disparate parts of the country, and our finished products are transported from our manufacturing facilities to distribution points including ports, by transportation vehicles which are not owned or controlled by us. These transportation vehicles are integral to our business operations. We have over the years engaged the services of various transportation service providers to provide us the necessary transportation vehicles. We do not, however, have any contractual arrangements with such third-party transportation service providers. Moreover, most such providers are in the unorganized space and, provide us with a small number of vehicles each.

Transportation strikes may have an adverse effect on supplies and deliveries to and from our customers and suppliers. In addition, raw materials and products maybe lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. Failures to maintain a continuous supply of raw materials or to deliver our products to our customers in an efficient and reliable manner could have a material and adverse effect on our business, financial condition and results of operations. Any recompense received from insurers or third-party transportation providers may be insufficient to cover the cost of any delays and may damage our relationships with our affected customers. In case our transportation and logistics service providers are unable to perform their services we cannot assure you that we will be able to deploy suitable alternative transportation services at favourable rates in a timely manner. Further, any increase in fuel costs could have a corresponding impact on freight charges which we may not be able to pass on to our customers. Any significant increase in our freight costs which we are unable to pass on to our customers may adversely affect our business and results of operations.

22. We may not be able to correctly assess the demand for our products, which may adversely affect our business, financial condition, cash flows and results of operations.

Our production and distribution processes require us to anticipate the demand for our products based on the feedback received from our own marketing personnel, distributors and partners. We estimate our production volumes based on customer dialogue, purchase orders, historical production volumes by our customers, our experience and general economic and market conditions. However, the demand for our products need not necessarily develop in line with our estimates. Therefore, there can be no assurance that we will be able to plan our production schedules to meet the actual requirements. In addition, regardless of the accuracy of such indicators, factors outside our control may require revision of our estimates. If we over-estimate the volume of products we expect to sell, we will have excess production capacity which may reduce operational efficiency and the margins on the products sold. If we underestimate the volume of products, we need to produce at any of our manufacturing facilities or fail to order a sufficient volume of supplies and input materials from our third-party suppliers, we may be unable to meet customer orders, which may affect our reputation or lead to a discontinuation of future orders from customers which could have a material adverse effect on our business, financial condition and results of operations.

23. If we fail to keep pace with the rapid changes in the industry and market, it will result in a decline in demand for our products and revenues.

The industry in which we operate is characterised by rapid change and frequent new product development. Demand for our products depends on consumer-related factors such as demographics, local preferences, food consumption trends, the level of consumer confidence in the products as well as on macroeconomic factors such as purchasing power, lifestyle and the condition of the economy. There has been a shift towards healthier dietary options in recent times. *(Source: Giract Report)*. Our success depends, *inter alia*, on our ability to anticipate the dietary habits and preferences of the consumers and to offer affordable products that appeal to the consumer. Customer preferences in this market are difficult to predict, and changes in those preferences or the introduction of new products by our competitors could put our products at a competitive disadvantage. Any delay in our reactions to changes in market conditions may affect the competitiveness of our products, thereby reducing our market share, which will result in a decline in our revenues.

Further, the commercial success of the products and formulations we develop will depend upon the acceptance of these products by customers and competition in the market. It is difficult for us to predict whether recently introduced products, or the products that we are currently developing, will be commercially successful. If our new products do not achieve adequate acceptance in the market, this may ultimately force us to abandon a potential product in which we have already invested substantial time and resources, and our competitive position will be impaired, our revenue will be diminished and the effect on our operating results may be particularly acute because of the significant research, development, marketing, sales and other expenses we will have incurred in connection with the new product or enhancement.

24. Our failure to protect confidential information like our product recipes, formulations, pricing or launch information could adversely affect our competitive position.

We intend to keep the recipes and formulations of our products confidential. We also keep information in relation to our proposed pricing of any new product, any proposed variation in price or launch of any new product confidential. Any failure to protect such confidential information due to leakage of information may impact our competitive position in our product segment. The appointment letters issued to our employees who use our recipes to manufacture our products require that all information made known to them be kept strictly confidential. Although we attempt to protect our trade secrets, the appointment letters may not effectively prevent disclosure of our proprietary information and may not provide any adequate remedy in the event of unauthorised disclosure of such information to our competitors. Consequently, such events may adversely affect our competitive position.

25. If we are unable to protect our intellectual property and technical know-how against third party infringement or breaches of confidentiality or are found to infringe on the intellectual property rights of others, it could have a material adverse effect on our business, results of operations and financial condition.

As on the date of this Draft Red Herring Prospectus, we owned 48 registered trademarks under the Trade Marks Act, 1999. We have also obtained trademark registrations in other countries *viz.* Chile, Malaysia, Peru, Nigeria, Costa Rica, Brazil and Uruguay. We believe that our success depends on our ability to protect our intellectual property, which includes certain patented processes. We may not be able to prevent competitors from developing, using or commercializing products that are functionally equivalent or similar to our products since a significant portion of our processes and products are not patented. We cannot guarantee that each application filed with respect to our brand names or any new products or innovations will be approved. We cannot assure you that patents issued to us in the future will not be challenged or circumvented by competitors or that such patents will be found to be valid or sufficiently broad to protect our processes or to provide us with any competitive advantage. We may be required to negotiate licenses for patents from third parties to conduct our business, which may not be available on reasonable terms or at all. Further, we may not always be able to safeguard our intellectual property from infringement or passing off and may not be able to respond to infringement or passing off activity occurring without our knowledge. We also rely on technical knowledge, product information, industry data, manufacturing expertise and market "know-how" that cannot be registered and is not subject to any confidentiality or nondisclosure clauses or agreements. In the event we are unable to adequately protect our confidential technical or proprietary information any advantage we may have over our competitors could be compromised.

We may face claims that we are infringing the intellectual property rights of third parties. If we are subject to any adverse rulings or decisions, our manufacture and sale of such products could be significantly restricted or prohibited and we may be required to pay substantial damages or on-going licensing fees. If we are unable to protect our intellectual property and technical know-how against third party infringement or breaches of confidentiality or are found to infringe on the intellectual property rights of others, it could have a material adverse effect on our business, results of operations and financial condition.

26. Restrictions imposed in the secured credit facilities and our other outstanding indebtedness may limit our ability to operate our business and to finance our future operations or capital needs.

As of September 30, 2021, our total outstanding borrowings on a consolidated basis (including non-fund based facilities availed by our Company) was ₹ 244.33 million. For further details, please see "*Financial Indebtedness*" on page 308. Our indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flow will be used towards repayment of our existing debt, which will reduce the availability of cash to fund working capital needs, capital expenditures, acquisitions and other general corporate requirements;
- our ability to obtain additional financing in the future or renegotiate or refinance our existing indebtedness on terms favorable to us may be limited
- our ability to obtain additional financing in the future at reasonable terms may be restricted;
- fluctuations in market interest rates may affect the cost of our borrowings, as some of our loans are at variable interest rates; and
- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulator and economic conditions.

Our financing agreements governing our borrowings include conditions and restrictive covenants that require us to obtain consents, no-objections or waivers from lenders prior to carrying out specified activities or entering into certain transactions. Such restrictive covenants, among other things, require our Company to obtain the approval of the relevant lender for *inter alia* change in capital structure, ownership, management, control or beneficial ownership, effecting any scheme of amalgamation or reconstitution, alteration to the constitutional documents of the Company, restructuring or changing the management, changing our shareholding pattern. While we have obtained necessary consents from our lenders as required under our loan/financing documentation, for undertaking the Offer and related actions, we cannot assure you that we will be able to obtain such approvals in the future to undertake such activities as and when required or to comply with such covenants or other covenants in the future.

Further, these debt obligations are typically secured by a combination of security interests. We are required to create charge over our present and future current assets and certain of our movable and immovable fixed assets and furnish guarantees from certain members of our Promoters and Promoter Group. The security allows our lenders to inter-alia sell the relevant assets in the event of our default. Further, our financing agreements also stipulate inter alia financial covenants required to be maintained by us during the duration of the facilities. There can be no assurance that our lenders will not enforce the event of default clauses forming part of our borrowing arrangements and recall the loans and/or facilities advanced to us in the future. Further, a majority of our outstanding indebtedness have floating rates of interest. Any fluctuations in the interest rates may directly impact the interest costs of such loans and could adversely affect our financial condition.

Any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of one or more of our credit facilities, default, acceleration of amounts due under such facilities and cross-defaults under certain of our other financing agreements, any of which may adversely affect our ability to conduct our business and have a material adverse effect on our financial condition and results of operations.

27. Our insurance coverage may not be sufficient or adequate to protect us against all material hazards, which may adversely affect our business, results of operations, financial condition and cash flows.

Our operations are subject to various risks including defects, malfunctions and failures of manufacturing equipment, fire, riots, strikes, explosions, loss-in-transit for our products, accidents and natural disasters. Our insurance may not be adequate to completely cover any or all of our risks and liabilities. While we believe that the insurance coverage which we maintain is in keeping with industry standards and would be reasonably adequate to cover the normal risks associated with the operation of our businesses, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. We apply for renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. Further, there is no assurance that the insurance premiums payable by us will be commercially viable or justifiable.

Our insurance cover for property, plant and equipment as of September 30, 2021 was ₹ 1,641.55 million, while our net block of property, plant and equipment (excluding land) and inventories was ₹ 1,100.33 million as of September 30, 2021. Consequently, our insurance cover as a percentage of net block of property, plant and equipment (excluding land) and inventories was 149.19%, as of September 30, 2021. To the extent that we suffer loss or damage as a result of 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 may adversely affect our results of operations. For further information on our insurance arrangements, see "*Our Business – Insurance*" on page 169.

28. We may not be able to implement our business strategies or sustain and manage our growth.

Our growth strategy includes expanding our existing businesses as well as strengthening our market presence in new geographies in India. For further details, see "*Business – Our Key Strategies – International expansion by creating geographical footprints in emerging markets*" beginning on page 158. Success in expanding our business or entering into new geographies will depend on various internal and external factors, many of which are beyond our control.

Our success will depend, in large part, on our ability to effectively implement our business and growth strategies. We cannot assure you that we will be able to execute our strategies in a timely manner or within budget estimates or that we will meet the expectations of our customers and other stakeholders. We believe that our business and growth strategies will place significant demands on our senior management and other resources and will require us to develop and improve operational, financial and other internal controls. Further, our business and growth strategies may require us to incur further indebtedness. Any inability to manage our business and growth strategies could adversely affect our business, financial condition and results of operations.

29. We may face risks on account of not meeting our export obligation for our Indian operations. Our failure to fulfil our export obligations in full may make us liable to pay duty proportionate to unfulfilled obligation along with interest.

Under the export promotion capital goods scheme of the Government of India, we are permitted to import capital goods in India required for export production without the payment of duty, provided we export goods from India worth a defined amount within a certain period of time. As per Restated Consolidated Financial Statements of our Company for Financial Year 2021, we do not have any export obligation. However, if we fail to fulfil any of the future export obligations in full and within the stipulated time period, we may have to pay the Government of India a sum equivalent to the duty enjoyed by us under the scheme that is proportionate to the unfulfilled obligations, along with interest.

30. Our operations are subject to evolving health, safety and environmental laws and regulatory standards.

We are subject to laws and government regulations, including in relation to safety, health and environmental protection and hazardous waste management. These safety, health and environmental protection laws and regulations impose controls on air and water discharge, management of materials used in manufacturing activities, and other aspects of our manufacturing operations. These laws also regulate the storage, treatment and disposal of wastes, remediation of contaminated soil and groundwater, air quality standards and water pollution. The discharge or emission of chemicals, dust or other pollutants into the air, soil or water that exceed permitted levels and cause damage to others may give rise to liabilities towards the government and third parties, and may result in our incurring costs to remedy any such discharge or emissions.

Environmental laws and regulations in India have become and continue to be more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, and emissions management and other expenditure to comply with environmental standards. Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings, including public interest litigation, being commenced against us, third party claims or the levy of regulatory fines. Further, any violation of the environmental laws and regulations may result in fines, criminal sanctions, revocation of operating permits, or shutdown of our manufacturing facilities.

Further, our products, including the process of manufacture, storage and distribution of such products, are subject to numerous laws and regulations in relation to their quality, safety and health. For instance, the provisions of the FSS Act are applicable to us and our products, which sets forth requirements relating to the license and registration of food businesses and general principles for food safety standards, and manufacture, storage and distribution. The Legal Metrology Act, 2009, as amended (the "**Legal Metrology Act**") regulates trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. For further details, see "*Key Regulations and Policies*" on page 171.

There is a risk that we may fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products. We cannot assure you that we will not be involved in future litigation or other proceeding, or be held liable in any litigation or proceedings including in relation to safety, health and environmental matters, the costs of which may be significant. As a consequence of unanticipated regulatory or other developments, future environmental and regulatory expenditure may vary substantially from those currently anticipated. We cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations or financial condition. Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings being commenced against us, third party claims or the levy of regulatory fines, which may adversely affect our reputation, business, financial condition, cash flows and results of operations.

31. We have certain contingent liabilities which, if materialized, may adversely affect our financial condition.

As at September 30, 2021, we had certain contingent liabilities, as set out in the table below.

Particulars	Amount (₹ in million)
Capital Commitments (to the extent not provided for)	18.63
Corporate Guarantee	439.40
Bank Guarantee	73.95

If at any time we are compelled to pay all or a material proportion of these contingent liabilities, it would have a material and adverse effect on our business, financial condition, cash flows and results of operations. For further details, see "*Financial Information*" beginning on page 223.

32. Our manufacturing facilities in Chennai and Thoothukudi have been established on a land in special economic zone which is allotted to us on a leasehold basis. Failure to comply with the conditions of use of such land could result in an adverse impact on our business and financial condition.

Our manufacturing facilities at Chennai and Thoothukudi, have been established on a land in special economic zone which is allotted to for a period of 9 years i.e. valid till December 3, 2024 and 99 years i.e. valid till April 8, 2111, respectively from Madras Export Processing Zone, Chennai and CCCL Pearl City Food Port SEZ Ltd, Thoothukudi, respectively. Under the terms of the lease deed entered between Madras Export Processing Zone, Chennai and CCCL Pearl City Food Port SEZ Ltd, Thoothukudi and our Company, we are required to comply with certain ongoing conditions. If we fail to meet any such conditions, we may be required to incur liability. Cancellation of the lease deed due to, among other things, non-compliance of the conditions of the lease deed and allotment letter could have an impact on our financial condition, which could adversely impact our results of operations and financial condition.

33. There are certain outstanding legal proceedings involving our Company, Subsidiaries, Promoters and our Directors. Failure to defend these proceedings successfully may have an adverse effect on our business prospects, financial condition, results of ongoing operations and reputation.

Our Company and certain of our Promoters and Directors are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation in relation to our Company, our Subsidiaries, Promoters and Directors as on the date of this Draft Red Herring Prospectus as disclosed in the chapter "*Outstanding Litigation and Material Developments*" on page 329 have been provided below:

Nature of Cases	Number of Cases	Amount Involved* *(in ₹ million)*
Proceedings involving our Company		
Criminal	2	0.43
Tax	-	-
Other pending litigations	-	-
Proceedings involving our Directors and Promoters		
Criminal	1	1.00
Tax	-	-
Other pending litigations	-	-

Nature of Cases	Number of Cases	Amount Involved* *(in ₹ million)*
Proceedings involving our Subsidiaries		
Criminal	-	-
Tax	-	-
Other pending litigations	4	USD 0.77

** To the extent quantifiable*

We may be required to devote management and financial resources in the defence or prosecution of such legal proceedings. Any adverse order or direction in these cases by the concerned authorities even though not quantifiable, could have a material adverse impact on our business and reputation.

34. Our Company was incorporated in 1993 and certain documents filed by us with the RoC and certain corporate records and other documents, are not traceable. We cannot assure you that such forms or records will be available at all or any time in the future.

The secretarial records for certain past allotments of Equity Shares made by our Company and change in registered office of the Company could not be traced as the relevant information was not available in the records maintained by our Company, at the MCA Portal maintained by the Ministry of Corporate Affairs and the RoC, despite conducting internal searches and engaging an independent practicing company secretary to conduct the search. These allotments include allotment of (i) 51,300 equity shares of ₹ 10 each on June, 01, 1993; (ii) 15,000 equity shares of ₹ 10 each on March 31, 2000 for which the relevant forms were not traceable. Certain forms filed for change in registered office with the RoC were not traceable. Additionally, we have not been able to trace certain documents including resolutions of our board of directors and shareholders prior to 2008.

While certain information in relation to the allotments and transfers have been disclosed in the section "*Capital Structure*" beginning on page 72 and in relation to change in registered office have been disclosed in the Section "*History and Certain Corporate Matters*" beginning on page 176, in this Draft Red Herring Prospectus, based on annual reports of our Company, annual returns, board resolutions and other corporate records of our Company, as available and based upon the allotment details and change in registered office provided in the search report prepared by M/s. RHS and Associates, independent practicing company secretary, and certified by their certificate dated December 15, 2021, we may not be able to furnish any further information, other than what is already disclosed in *"Capital Structure"* beginning on page 72, or assure that the other records will be available in the future. While no legal proceedings or regulatory action has been initiated against our Company in relation to untraceable secretarial and other corporate records and documents as of the date of this Draft Red Herring Prospectus, we cannot assure you that such legal proceedings or regulatory actions will not be initiated against our Company in future.

35. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, cash flows and prospects.

Our business and financial performance could be adversely affected by unfavourable changes in, or interpretations of existing laws, or the promulgation of new laws, rules and regulations applicable to us and our business. Please see "*Key Regulations and Policies*" on page 171.

The regulatory and policy environment in which we operate is evolving and subject to change. There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements, conditions, costs and expenditures on our operations. Any such changes and the related uncertainties with respect to the implementation of the new legal framework may have a material adverse effect on our business, financial condition, results of operations and future cash flows. In addition, we may have to incur cost and expense including capital expenditure to comply with the requirements of any new regulations, which may also adversely impact our results of operations and cash flows. Any changes to such laws may adversely affect our business, financial condition, results of operations, future cash flows and prospects. Further, the Government of India has notified four labour codes, namely, (i) The Code on Wages, 2019, (ii) The Industrial Relations Code, 2020, (iii) The Code on Social Security, 2020 and (iv) The Occupational Safety, Health and Working Conditions Code, 2020. Such codes will replace the existing legal framework governing rights of workers, employees and labour relations. While certain aspects of the Code of Wages, 2019, have been notified, the vast majority the codes are yet to come into force on the date of this Draft Red Herring Prospectus. 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, future cash flows and prospects.

We have not determined the impact of these recent and proposed laws and regulations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. Further, if we are affected, directly or indirectly, by the application or interpretation of any provision of such laws and regulations or any related proceedings, or are required to bear any costs in order to comply with such provisions or to defend such proceedings, our business and financial performance may be adversely affected.

Currently two of our manufacturing facilities are located in special economic zones i.e. at Madras Export Processing Zone, Chennai ("MEPZ") and CCCL Pearl City Food Port SEZ Ltd, Thoothukudi, respectively. By virtue of operating in special economic zones these manufacturing facilities enjoy certain benefits and exemptions. Over the past couple of years, the benefits and exemptions which were available to special economic zones have diminished. Non-availability of the benefits and the exemptions that our manufacturing facilities enjoy in the special economic zones may adversely affect our business, financial conditions, results of operations, future cash flows and prospects.

36. There have been instances of delayed compliances in the statutory filings.

In past, there have been instances of delayed compliances with the provisions of the Companies Act by our Company including delay in filing certain statutory forms with the RoC such as Form CHG 1, Form DIR 12, Form INC 27 and Form 2. There might be other delays or non-compliances or erroneous disclosures by us which may invoke any action under the Companies Act and other applicable laws. Although till date, we have not received any show cause notice from the RoC or other authorities for the said delayed compliances, we cannot assure that we will not be subject to any action including levy of penalty by the RoC or other authorities.

37. If we are unable to maintain an effective system of internal controls, we may not be able to successfully manage or accurately report, our financial risks.

Effective internal controls are necessary for us to manage our operations, prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. There can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud.

38. We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures with respect to any or all of our products could have a material adverse effect on our business, financial condition and results of operations.

We operate in a highly competitive industry with a number of other manufacturers that produce competing products, both in India and internationally. Our Company offers products across a whole range starting with micronutrient premixes, right upto therapeutic and clinical products. There are numerous suppliers of individual micronutrients in Europe and Asia, particularly China. Many premixers also exist across the globe. Competitive strength of the key companies relies on an intimate knowledge of finished product formulations, in addition to a global footprint. Key players of health and wellness nutrition include Abbott Nutrition, Nestlé Health Science, Hexagon Nutrition, Baxter, Nutricia, Mead Johnson, Sun Pharmaceuticals and Hindustan Unilever. (*Source: Giract Report*)

We currently compete, and in the future will continue to compete, with large multinational companies as well as cooperatives, regional companies. Our competitors primarily compete with us on pricing of products variety of products that we offer and procuring of raw materials. Some of our competitors may have larger business operations, access to greater financial resources and better technology and they may benefit from greater economies of scale and operation efficiencies. For example, if any of our competitors develops processes or technology which reduces production costs and consequently sells at lower prices than us, we may be required to lower the prices of our products to match our competitors and may result in an adverse impact on our business and results of operations. Further, some of the larger manufacturer of nutritional products such as DSM Nutrition Products, Glandia Nutritional, Miavit, SternVitamin (*Source: Giract Report*) may increase their focus on MNPs which may impact our operations and financial conditions. Any inability on our part to effectively compete in terms of pricing, provide competitive products or services or expand into new markets may adversely affect our business, financial condition and results of operations.

39. We currently rely extensively on our systems including information technology systems and products processing/quality assurance systems and their failure could adversely affect our manufacturing operations.

We rely extensively on the capacity and reliability of the information technology systems, processing and quality assurance systems that support our operations. The size and complexity of our computer systems make them potentially vulnerable to breakdown, malicious intrusion and computer viruses. To date, although we have not experienced a major disruption in our manufacturing operations due to failure of such systems, we cannot assure you that we will not encounter disruptions in the future, and any such disruption may adversely affect our business. Any such disruption may result in the loss of key information and disruption of production and business processes, which could adversely affect our business, financial condition, results of operations and cash flows. In addition, our systems are potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data to unauthorised persons. Such data security breaches could lead to the loss of trade secrets or other intellectual property or could lead to the public exposure of personal information (including sensitive personal information) of our employees, customers and others. Any such security breaches could have an adverse effect on our reputation, business, financial condition and results of operations.

40. Loss or the disruption or interruption in the operations of our contract manufacturers or our failure to identify timely new contract manufacturers could harm our business and impede our growth.

We procure certain of our products such as premix formulations from contract manufacturers. Should any of these parties seek to alter the terms or terminate its relationship with us or if we need to replace our contract manufacturers, there can be no assurance that additional capacity will be available when required on acceptable terms, or at all, which may result in a decrease of our total production capacity. In addition, any interruptions to the manufacturing operations of such parties due to strikes, lock outs, work stoppages or other forms of labour unrest, break down or failure of equipment, floods and other natural disaster as well as accidents could affect our ability to receive an adequate supply of quality products at reasonable prices. Thus, our manufacturing model involve risks with regards to our ability to receive an adequate supply of quality products and meet our customer's demands, which, if we fail to do, would have a negative impact on our business, financial condition and results of operations. The success of our business depends, in part, on maintaining a strong manufacturing platform. Our arrangements with our contract manufacturers could involve various risks, including potential interruption to their operations for factors beyond their or our control, any significant adverse changes in their financial or business conditions, as well as low levels of output or efficiency. Any loss of our contract manufacturers, any disruption or delay by them or any failure to identify and engage contract manufacturers for new products could delay or postpone production of our products, which could have a material adverse effect on our business, results of operations and financial condition.

41. We appoint contract labor for carrying out certain of our operations and we may be held responsible for paying the wages of such workers if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our financial condition, results of operations and cash flows.

In order to retain flexibility and control costs, in addition to our employees, we appoint independent contractors who in turn engage on-site contract labour for performance of certain of our operations in India. Although we do not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. As of September 30, 2021, we had engaged third-party labourers in connection with our operations. Any requirement to fund their wage requirements may have an adverse impact on our business, financial condition, results of operations and cash flows. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract labourers as permanent employees. Thus, an order from a regulatory body or court in this regard may have an adverse effect on our business, financial condition, results of operations and cash flows.

42. The object of the Fresh Issue for which funds are being raised have not been appraised by any bank or financial institution and are based on management estimates.

Our funding requirement set out in the chapter '*Objects of the Offer*' on page 90 including long term working capital requirement are based on management estimates and has not been appraised by any bank or financial institution. Our funding requirements are based on our current business plan and may vary based on various factors including macroeconomic changes. In view of the dynamic nature of the industry in which we operate, we may have to revise our business plan from time to time and, consequently, the funding requirement and the utilization of proceeds from the Offer may also change. This may also include re-scheduling the proposed utilization of Offer Proceeds at the discretion of our management. We may make necessary changes to the utilisation of Offer Proceeds in compliance with the provisions of the Companies Act. In the event of any variation in actual utilization of the Offer Proceeds, any increased fund deployment for a particular activity may be met from funds earmarked from any other activity and/or from our internal accruals. Further, any such revision in the estimates may require us to revise our projected expenditure which may have a bearing on our profitability.

43. Any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the Draft Red Herring Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.

We propose to utilise the Net Proceeds for repayment and/ or pre-payment, in full or part, of certain borrowings availed by our Company and its Subsidiaries, funding certain capital expenditure requirements of our Company and other general corporate purposes.

Given the nature of our business and due to various uncertainties involved, we may be unable to utilize the Net Proceeds within the time frame or as per the schedule of deployment that we currently estimate. In the case of increase in actual outlay or shortfall in requisite funds, additional funds for the purpose will be met by means available to us, including internal accruals and additional equity and/or debt arrangements. For further details of the proposed objects of the Offer, see "*Objects of the Offer*" beginning on page 90. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in this Draft Red Herring Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require 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 would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on our Promoters to provide an exit opportunity to such dissenting shareholders may deter our Promoters from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that or Promoters will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized Net Proceeds, if any, or vary the terms of any contract referred to in the Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

44. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

Our ability to pay dividends in the future will depend on our earnings, financial condition, future cash flows, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. 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. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future. Accordingly, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

45. We are dependent upon the experience and skill of our Promoters, Key Managerial Personnel and persons with technical expertise. If we are unable to attract and retain qualified personnel, our results of operations and cash flows may be adversely affected.

In order to successfully manage and expand our business, we are dependent on the services of our Promoters and Key Managerial Personnel, and our ability to attract, train, motivate and retain skilled employees and other professionals. In particular, our Promoters are also directly involved in our operations. If we are unable to hire additional personnel or retain existing qualified personnel, in particular our Key Managerial Personnel and persons with requisite skills, our operations and our ability to expand our business may be impaired. Further, we may be unable to hire and retain enough skilled and experienced employees to replace those who leave or may not be able to re-deploy existing resources successfully. Failure to hire or retain Key Managerial Personnel and skilled and experienced employees could adversely affect our business and results of operations.

Our business and operations are led by a highly qualified, experienced and capable management team. We are also supported by qualified personnel possessing a range of qualifications including scientific, pharmacy post graduate and graduate, the loss of whose services may significantly delay or prevent the achievement of our business objectives. Competition among such companies for qualified employees, particularly R&D personnel, is intense and the ability to retain and attract qualified individuals is critical to our success. As of September 30, 2021, we had 11 employees in R&D, regulatory and manufacturing science and technology, representing approximately 9% of our total employees. Although the attrition rate of our employees was 37%, 38%, 28% and 13% in Fiscals ended March 31, 2019, March 31, 2020 and March 31, 2021 and six months period ended September 30, 2021, respectively, we cannot guarantee that we will be able to recruit and retain qualified and capable employees.

Our success significantly depends upon the continued service of our management and key personnel. If we lose the services of any of the management team or key personnel, we may be unable to locate suitable or qualified replacement, and may incur additional expenses to recruit and train new personnel, which could adversely affect our business operations and ability to continue to manage and expand our business. Furthermore, as we expect to continue to expand our operations and develop new products, we will need to continue to attract and retain experienced management, R&D and sales personnel. Moreover, we do not maintain key person insurance to insure against the loss of key personnel. There can be no assurance that we will be able to retain and attract such individuals in the future on acceptable terms, or at all, and the failure to do so may have an adverse effect on our business, prospects, cash flows, results of operations and financial condition.

46. Certain Promoters, Directors and Key Managerial Personnel are interested in the Company's performance in addition to their remuneration and reimbursement of expenses.

Certain of our Promoters, Directors and Key Managerial Personnel are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses and such interests are to the extent of their shareholding in our Company as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares, profit-based commission and their rights to nominate directors on our Board pursuant to such shareholding, amongst others. Further, our Promoters and Promoter Group will, after the Offer, continue to hold a significant stake in our Company. We cannot assure you that our Promoters, Directors and our Key Managerial Personnel will exercise their rights to the benefit and best interest of our Company. As shareholders of our Company, our Promoters or Directors or Key Managerial Personnel may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders. For further information on the interest of our Promoters and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see "*Our Management*", "*Our Promoters and Promoter Group*" and "*Restated Consolidated Financial Statements*" on pages 193, 215 and 223, respectively.

47. Any damages caused by fraud or other misconduct by our employees could adversely affect our business, results of operations and financial condition.

We are exposed to operational risk arising from inadequacy or failure of internal processes or systems or from fraud. We are also susceptible to fraud or misconduct by employees or outsiders, unauthorised transactions by employees and operational errors. Employee or executive misconduct could also involve the improper use or disclosure of confidential information or data breach, which could result in regulatory sanctions and reputational or financial harm, including harm to our brand. Further, unauthorised risks taken by our employees beyond the risk management limits, not reporting business and operational issues that may result in claims and damages far in excess of material cost. Our management information systems and internal control procedures are designed to monitor our operations and overall compliance. However, they may not be able to identify non-compliance and/or suspicious transactions in a timely manner or at all. As a result, we may suffer monetary losses, including contractual liabilities and penalties, which may not be covered by our insurance and may thereby adversely affect our business, results of operations and financial condition. Such a result may also adversely affect our reputation, business, results of operations and financial condition.

48. We will not receive any proceeds from the Offer for Sale. The Selling Shareholder will receive the entire proceeds from the Offer for Sale.

The Offer includes a Fresh Issue and an Offer for Sale of Equity Shares by the Selling Shareholder. While our Company will receive the entire proceeds from the Fresh Issue, the entire proceeds from the Offer for Sale will only be paid to the Selling Shareholder and we will not receive any such proceeds.

49. Any non-compliance by our Company with the regulatory and sanction regimes of various countries could harm our reputation or result in regulatory action which could materially and adversely affect our business.

We are subject to the regulatory regimes of various countries, including applicable economic and trade sanctions programs administered by supranational organisations such as the United Nations. In addition, certain countries and markets where we may conduct business also impose economic and trade sanctions. These sanctions are imposed in connection with doing business with, or affecting, certain countries, their citizens or entities, specially designated nationals or other persons or entities that may be doing business with targeted countries, persons or entities.

Failure to comply with these laws and regulations may expose us to risk of adverse and material financial, operational, or other adverse impacts on our business. To the best of our knowledge, neither we, nor our promoters and promoter group, are the subject, or have ever been the subject, of any sanctions or a related government investigation or enforcement action.

If either we or our affiliates are found to be in violation of sanctions laws, we or our affiliates could be subject to financial or other penalties. Even when a violation of sanctions laws cannot be established, government investigations or other actions of other related companies may result in reputational or other harm to us.

50. 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 our Shareholders.

We have entered into various transactions with related parties. While we believe that all such transactions have been conducted on an arm's length basis and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our business, results of operations and financial condition or that we could not have achieved more favourable terms if such transactions had not been entered into with related parties. For details on our related party transactions, see "*Restated Financial Statements – Related party relationships, transactions and balances*" on page 282.

51. We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements.

We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements which includes, *inter alia*, purchase of production equipment, R&D equipment and warehouse equipment. We have estimated the total cost of such capital expenditure to be ₹ 237.18 million excluding tax. We have yet to place orders for the total capital expenditure. We have not entered into any definitive agreements to utilize the Net Proceeds for this object of the Offer and have relied on the quotations received from third parties for estimation of the cost. While we have obtained the quotations from various vendors in relation to such capital expenditure, most of these quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations. For details, see "*Objects of the Offer*" at page 90.

52. ***Some of our business operations are being conducted on leased premises. Our inability to seek renewal or extension of such leases may adversely affect our business operations.***

While most of our manufacturing facilities are located on freehold property, some of our business operations are being conducted on premises leased from third parties. We have entered into lease agreements for our manufacturing facilities situated in Chennai and Thoothukudi, for a period of 9 years i.e. valid till December 3, 2024 and 99 years i.e. valid till April 8, 2111, respectively from Madras Export Processing Zone, (MEPZ), Chennai and CCCL Pearl City Food Port SEZ Ltd, Thoothukudi. For our marketing offices, depots and sheds, we have entered into lease agreements, the tenure of which range from one to five years, subject to renewal. While there are currently no instances of non-compliance of the terms of our lease agreements, there can be no assurance that there will be no such non-compliance leading to termination of such leases in the future. Any change in the terms and conditions of the lease agreements and any premature termination of such lease agreements may have an adverse impact on our business operations.

Any adverse impact on the title and ownership rights of the owners from whose premises we operate, breach of the contractual terms of any lease deeds, or any inability to renew such agreements on acceptable terms may also affect our business operations. In addition, the terms of certain of our leases require us to obtain the lessor's prior consent for certain actions, including making structural alterations to the leased premises, which may be required if we were to undertake an expansion in the future. There can be no assurance that we will be able to renew these leasing arrangements at commercially favourable terms, or at all. If we are unable to renew all or any of our leasing arrangements, it may cause disruptions in our business and we may incur substantial costs associated with shifting to new premises, all of which may adversely affect our business operations.

53. ***Certain sections of this Draft Red Herring Prospectus contain information from Care and Giract which has been exclusively commissioned and paid for by our Company and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.***

Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the Care Report and Giract Report or extracts of the Care Report and Giract Report prepared by Care and Giract, respectively. We exclusively commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Offer. All such information in this Draft Red Herring Prospectus indicates the CARE Report or GIRACT Report as its source. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the CARE Report or Giract Report should be read taking into consideration the foregoing.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Further, the Care Report or Giract Report is not a recommendation to invest / disinvest in any company covered in the Care Report or Giract Report. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the Care Report or Giract Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the Giract Report before making any investment decision regarding the Offer.

54. Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA have been included in this Draft Red Herring Prospectus. These non-GAAP financial measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance like EBITDA, EBITDA margin, net debt etc., have been included in this Draft Red Herring Prospectus. These non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

External Risk Factors

55. The outbreak of COVID-19, or outbreak of any other similar severe communicable disease could have a potential impact on our business, financial condition, cash flows and results of operations.

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could adversely affect the overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our consumers, distributors, retailers and suppliers, which could adversely affect our business, financial condition, future cash flows and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines and lockdowns. These measures have impacted and may further impact our workforce and operations, the operations of our consumers, and those of our respective distributors, retailers, vendors and suppliers. While government-certified treatment and vaccines are available, there is currently medical uncertainty regarding COVID-19 and there is no assurance that the vaccination process shall be completed in India in a timely manner or that the vaccines shall be effective. In case there is a rapid increase in severe cases of infections leading to deaths, where the measures taken by governments are not successful or are any bans imposed by the government in this regard are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general. The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession. The spread of COVID-19 has caused us to modify our business practices, and we may take further actions as may be required by government authorities or steps on what we believe would be in the best interests of our employees, consumers and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed.

56. Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.

The Restated Consolidated Summary Statements included in this Draft Red Herring Prospectus have been derived from audited consolidated financial statements and restated in accordance with SEBI ICDR Regulations and Guidance Note on Report in Company Prospectuses (Revised), issued by the Institute of Chartered Accountants in India and are based on Ind AS. We have not attempted to quantify the impact of US GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP or IFRS. US GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Restated Consolidated Summary Statements, which are restated as per the SEBI ICDR Regulations included in this Draft Red Herring Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

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

The Competition Act, 2002, of India, as amended ("**Competition Act"),** regulates practices having an appreciable adverse effect on competition in the relevant market in India ("**AAEC**"). Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of consumers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the "**CCI**").

Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India. The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. However, since we pursue an acquisition driven growth strategy, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows and prospects.

58. Our business is substantially affected by prevailing economic, political and other prevailing conditions in emerging markets.

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally, including adverse geopolitical conditions such as increased tensions between India and China. We are incorporated in India, and our manufacturing operations are, currently, located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations and cash flows are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the economy, and hence our results of operations and cash flows, may include:

- any increase in interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing, resulting in an adverse impact on economic conditions and scarcity of financing for our expansions;
- prevailing income conditions among consumers and corporates;
- volatility in, and actual or perceived trends in trading activity on, the relevant market's principal stock exchanges;
- changes in tax, trade, fiscal or monetary policies;

- political instability, terrorism or military conflict in the region or globally, including in various neighbouring countries. For example, the recent unrest on the Indo-China border led to retaliation by India and escalated hostilities between India and China.;

- occurrence of natural or man-made disasters;

- prevailing regional or global economic conditions, including in the relevant country's principal export markets;

- any downgrading of debt rating of India by a domestic or international rating agency;

- instability in financial markets; and

- other significant regulatory or economic developments in or affecting India or the emerging markets.

Further, any slowdown or perceived slowdown in the Indian economy or the economy of any emerging market, or in specific sectors of such economies, could adversely impact our business, results of operations, future cash flows and financial condition and the price of the Equity Shares.

59. It may not be possible for investors outside India to enforce any judgment obtained outside India against our Company or our management or any of our associates or affiliates in India, except by way of a suit in India.

Our Company is incorporated as a public limited company under the laws of India and all of our directors and executive officers reside in India. Further, substantial portion of our assets, and the assets of our executive officers and directors, are located in India. As a result, it may be difficult to effect service of process outside India upon us and our executive officers and directors or to enforce judgments obtained in courts outside India against us or our executive officers and directors, including judgments predicated upon the civil liability provisions of the securities laws of jurisdictions outside India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, Singapore, United Arab Emirates and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908 (the "**Civil Code**"). The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court.

However, the party in whose favour such final judgment is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgment rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the RBI to repatriate any amount recovered pursuant to the execution of the judgment.

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

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

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT, the Consolidated FDI Policy and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a 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 Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

61. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy.

Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and future cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom's exit from the European Union ("**Brexit**"), there still remains significant uncertainty around the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets? and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition, future cash flows and results of operations and reduce the price of the Equity Shares.

62. Natural calamities, acts of war, terrorist attacks, civil unrest and other events could have a negative effect on the Indian economy and cause our business to suffer.

India has experienced natural calamities such as earthquakes, pandemics, tsunami, floods and drought in the past few years. Natural calamities, 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, future cash flows and results of operations The extent and severity of these natural disasters determines their effect on the Indian economy. Further prolonged spells of below normal rainfall or other natural calamities in the future could have a negative effect on the Indian economy, adversely affecting our business and the price of our Equity Shares.

Risks in relation to the Offer

63. Our 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 our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Offer. Listing and trading does not guarantee that a market for our Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price and liquidity for the Equity Shares may be subject to significant fluctuations in response to, among other factors:

- volatility in the Indian and other global securities markets;
- problems such as temporary closure, broker default and settlement delays experienced by the Indian Stock Exchanges;
- the performance and volatility of the Indian and global economy;
- financial instability in emerging markets that may lead to loss of investor confidence;
- risks relating to our business and industry, including those discussed in this Draft Red Herring Prospectus;
- strategic actions by us or our competitors;
- investor perception of the investment opportunity associated with our Equity Shares and our future performance;
- future sales of our Equity Shares;
- variations in our quarterly results of operations or cash flows;
- differences between our actual financial and operating results and those expected by investors and analysts;
- our future expansion plans;
- changes in the estimates of our performance or recommendations by financial analysts;
- significant developments in India's economic liberalisation and deregulation policies; and
- significant developments in India's fiscal and environmental regulations.

There has been significant volatility in the Indian stock markets in the recent past, and the market price of our Equity Share could fluctuate significantly as a result of market volatility. A decrease in the market price of our Equity Shares could cause you to lose some or all of your investment.

64. QIBs and Non-Institutional Investors 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, and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to block the Bid Amount on submission of the Bid and 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. Similarly, Retail Individual Investors can revise or withdraw their Bids at any time during the Bid/Offer Period and until the Bid/Offer Closing Date, but not thereafter. Therefore, QIBs and Non-Institutional Investors will not be able to withdraw or lower their Bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise at any stage after the submission of their Bids.

65. You may not be able to immediately sell any of the Equity Shares you subscribe to in this Offer on an Indian Stock Exchange.

The Equity Shares are proposed to be listed on the Stock Exchanges. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and commence trading, including the crediting of the Investors' "demat" accounts within the timeline specified under applicable law. Further, in accordance with Indian law, permission for listing of the Equity Shares will not be granted until after the Equity Shares in this Offer have been Allotted and submission of all other relevant documents authorising the issuing of the Equity Shares. The Allotment of Equity Shares in the Offer and the credit of Equity Shares to the applicant's demat account with the relevant depository participant and listing is expected to be completed within the period as may be prescribed under applicable law. Any failure or delay in obtaining the approvals or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. We cannot assure you that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the prescribed time periods or at all which could restrict your ability to dispose of the Equity Shares.

66. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction the investors are located in do not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

67. Any future issuance of Equity Shares may dilute your shareholding and sales of the Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth, whether organic or inorganic, through future equity offerings. Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in us. Any future issuances of Equity Shares or the disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of the Equity Shares. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares.

68. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. The Income Tax Act levies taxes 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 subject to specific conditions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of a securities transaction tax ("**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. Any gain realized on the sale of Equity Shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India.

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.

The Government of India had announced the union budget for Fiscal 2022 and the Finance Bill, 2021 ("Finance Bill") had been introduced in the Lok Sabha on February 1, 2021. Subsequently, the Finance Bill received assent of the President of India on March 28, 2021 and became the Finance Act, 2021 ("**Finance Act**"). There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. We cannot predict whether any amendments made pursuant to the Finance Act would have an adverse effect on our business, financial condition, future cash flows and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations.

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

Foreign ownership of Indian securities is subject to government regulation. In accordance with foreign exchange regulations currently in effect in India, under certain circumstances the RBI must approve the sale of the Equity Shares from a non-resident of India to a resident of India or vice-versa if the sale does not meet certain requirements specified by the RBI. Additionally, any person who seeks to convert the Rupee proceeds from any such sale into foreign currency and repatriate that foreign currency from India is required to obtain a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on terms favourable to a non-resident investor in a timely manner or at all. Because of possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline.

SECTION III – INTRODUCTION

THE OFFER

The following table summarises the Offer details:

Offer of Equity Shares (1)*	Up to [●] Equity Shares aggregating up to ₹ [●] million
of which	
Fresh Issue (1)	Up to [●] Equity Shares aggregating up to ₹ 1,000.00 million
Offer for Sale (2) (6)	Up to 30,113,918 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders
of which	
A) QIB Portion (3) (4)	Not more than [●] Equity Shares
of which	
(i) Anchor Investor Portion	Up to [●] Equity Shares
(ii) Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
of which	
a. Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding the Anchor Investor Portion))	[●] Equity Shares
b. Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion (5)	Not less than [●] Equity Shares
C) Retail Portion (5)	Not less than [●] Equity Shares
Pre and post Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)	110,502,404 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds	See "*Objects of the Offer*" on page 90 for information about the use of the Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale.

(1) *The Offer has been authorised by our Board dated December 7, 2021 and the Fresh Issue has been authorised by a special resolution of our Shareholders dated December 7, 2021.*

(2) *Each of the Selling Shareholders, severally, have confirmed that the Equity Shares being offered by such Selling Shareholder in the Offer for Sale, are eligible to be offered for sale in the Offer in accordance with the SEBI ICDR Regulations. Certain details of the Selling Shareholders are set out below. For more details, see "Other Regulatory and Statutory Disclosures" beginning on page 336.*

(3) *Our Company and Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion will accordingly be reduced for the shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Any unsubscribed portion in the Mutual Fund Portion will be added to the QIB Portion (excluding Anchor Investor Portion) and allocated proportionately to the QIB Bidders (other than Anchor*

Investors) in proportion to their Bids. For details, please see the section entitled "Offer Procedure" on page 357. Allocation to all categories shall be made in accordance with SEBI ICDR Regulations.

(4) *Subject to valid Bids being received at or above the Offer Price, 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 and Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws. In the event of an undersubscription in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated in the Fresh Issue, prior to the Offered Shares. However, after receipt of minimum subscription of 90% of the Fresh Issue, the Offered Shares, shall be allocated prior to the Equity Shares offered pursuant to the Fresh Issue. For further details, please see the section entitled "Offer Procedure" on page 357.*

(5) *Allocation to Bidders in all categories except the Anchor Investor Portion and the Retail Portion, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be allocated on a proportional basis. Allocation to Anchor Investors shall be done on a discretionary basis in accordance with the SEBI ICDR Regulations. For further details, see "Offer Procedure" beginning on page 357.*

For details of the terms of the Offer, see "*Terms of the Offer*", beginning on page 348.

SUMMARY FINANCIAL INFORMATION

The summary financial information presented below should be read in conjunction with "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 223 and 310, respectively.

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RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Note No.	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
ASSETS					
NON-CURRENT ASSETS					
Property, Plant and Equipment	3	481.12	488.06	475.80	518.76
Capital Work-in-progress	3	74.59	11.53	9.20	9.74
Right to use Assets	4	16.28	16.90	18.14	19.38
Other Intangible Assets	5	1.78	2.24	4.05	7.29
Financial Assets					
Other Financial Assets	6	4.57	4.39	4.52	5.43
Deferred Tax Assets	7	21.32	25.81	38.39	57.15
Other Non Current Assets	8	11.39	8.02	2.73	1.67
CURRENT ASSETS					
Inventories	9	653.29	596.95	542.90	409.03
Financial Assets					
Investments	10	104.50	180.51	115.48	68.72
Trade Receivables	11	580.04	404.64	413.93	567.95
Cash and Cash Equivalents	12	123.25	175.05	160.28	33.95
Bank Balance other than Cash and Cash Equivalents	13	61.07	44.99	80.41	37.03
Other Financial Assets	14	45.97	48.76	53.99	72.38
Current Tax Assets	15	42.94	83.02	53.96	60.87
Other Current Assets	16	62.08	44.75	47.58	46.37
Total Assets		**2,284.19**	**2,135.62**	**2,021.36**	**1,915.72**
EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	17	110.50	110.50	110.50	110.24
Other Equity	18	1,420.10	1,269.76	1,056.86	882.23
		1,530.60	**1,380.26**	**1,167.36**	**992.47**
Non - Controlling interest		-	-	-	-
Total Equity		**1,530.60**	**1,380.26**	**1,167.36**	**992.47**
NON-CURRENT LIABILITIES					
Financial Liabilities					
Borrowings	19	53.77	71.23	119.44	154.66
Other Financial Liabilities	20	16.23	16.53	17.24	15.79
Provisions	21	41.32	31.87	30.55	17.34
CURRENT LIABILITIES					
Financial liabilities					
Borrowings	22	190.56	131.42	217.06	147.83
Trade Payables	23				
Total outstanding dues to micro enterprise and small enterprise		64.78	38.50	36.17	18.69
Total outstanding dues to creditors other than micro enterprise and small enterprise		221.05	316.20	286.40	432.23
Other Financial Liabilities	24	73.23	51.19	53.68	53.51
Other Current Liabilities	25	29.61	19.30	26.29	25.08
Provisions	26	7.81	7.24	9.67	10.70
Current Tax Liabilities (Net)	27	55.23	71.88	57.50	47.42
TOTAL EQUITY AND LIABILITIES		**2,284.19**	**2,135.62**	**2,021.36**	**1,915.72**
Significant accounting policies	1- 2.1				
Notes to the consolidated Ind AS financial statements	2.2 - 55				

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Note No.	Six Month Ended September 30, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
INCOME					
Revenue from Operations	28	1,248.87	2,099.70	2,038.42	2,306.46
Other Income	29	20.35	54.65	69.84	52.56
Total Income		**1,269.22**	**2,154.35**	**2,108.26**	**2,359.02**
EXPENSES					
Cost of Materials Consumed	30	595.31	1,102.78	1,069.30	1,271.98
Purchases of Stock-in-Trade		32.68	69.52	38.57	7.30
Changes in inventories of Finished Goods and Stock - in- process	31	15.83	(35.92)	(23.74)	48.84
Employee Benefits Expenses	32	169.26	307.98	316.13	311.84
Finance Costs	33	10.10	25.83	32.91	41.97
Depreciation and Amortisation Expense	34	31.19	61.41	69.68	78.46
Other Expenses	35	212.77	330.32	361.75	401.14
Total Expenses		**1,067.14**	**1,861.92**	**1,864.60**	**2,161.53**
Profit Before Exceptional Items and Tax		**202.08**	**292.43**	**243.66**	**197.49**
Loss on Sale of Fixed Assets		(0.23)	0.34	1.11	-
Provision for doubtful debts		(7.66)	(9.10)	(10.96)	4.11
Provision for Expected Credit Loss		(2.95)	(10.21)	(10.34)	3.88
Profit Before Tax		**212.92**	**311.40**	**263.85**	**189.50**
Tax Expenses					
Current Tax		55.23	71.88	57.50	47.42
Deferred Tax Expense/(Credit)		5.60	11.13	20.31	(6.68)
Tax For Earlier Years		0.00	(0.22)	0.37	0.51
Profit for the Year/Period (A)		**152.09**	**228.61**	**185.67**	**148.25**
Other Comprehensive Income (OCI)					
Items that will not be reclassified subsequently to Profit or Loss:					
- Remeasurement of post employment benefit obligation		(3.85)	5.01	(5.31)	(0.14)
- Income tax effect on above		1.12	(1.46)	1.55	0.04
Items that will be reclassified subsequently to profit or loss		-	-	-	-
- Exchange differences in translating the financial statements of foreign operations		0.98	(0.84)	3.11	-
Other Comprehensive Income for the year/period, net of tax (B)		**(1.75)**	**2.71**	**(0.65)**	**(0.10)**
Total Comprehensive Income for the year/period (A+B)		**150.34**	**231.32**	**185.02**	**148.15**
Profit for the Year/Period (A)					
Owners of the Company		152.09	228.61	185.67	148.25
Non-Controlling Interest		-	-	-	-
Other comprehensive income (OCI) (B)					
Owners of the Company		(1.75)	2.71	(0.65)	(0.10)
Non-Controlling Interest		-	-	-	-
Total comprehensive income for the year/period (A+B)					
Owners of the Company		150.34	231.32	185.03	148.15
Non-Controlling Interest		-	-	-	-
Earnings per share (of Re. 1 each)	36				
- (in Rs.) Basic		**1.38**	**2.07**	**1.68**	**1.34**
- (in Rs.) Diluted		**1.24**	**1.86**	**1.51**	**1.21**
Significant accounting policies	1- 2.1				
Notes to the consolidated Ind AS financial statements	2.2 - 55				

RESTATED CONSOLIDATED CASH FLOW STATEMENT

(All amounts in Rupees millions, unless otherwise stated)

PARTICULARS	Six Month Ended September 30, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
A) CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before Tax as per Statement of Profit and Loss	**212.92**	**311.40**	**263.85**	**189.50**
Adjustment for :				
Interest Income	(1.17)	(5.11)	(2.69)	(1.76)
Profit on sale of Investments	(1.40)	(4.34)	(6.63)	(0.30)
Dividend Received on Mutual Fund	-	-	(0.42)	-
Depreciation and Amortisation	31.19	61.41	69.68	78.46
Remeasurement of post employment benefit obligation	(3.85)	5.01	(5.31)	(0.14)
Provision for doubtful debts	7.66	9.10	10.96	(4.11)
Provision for Expected Credit Loss	2.95	10.21	10.34	(3.88)
Loss/(Gain) on Sale of Property, Plant and Equipment's	(0.23)	0.34	1.11	-
Interest paid	10.10	25.83	32.91	41.97
Operating Profit before Working Capital Changes	**258.17**	**413.85**	**373.80**	**299.75**
Adjusted for :				
Increase/Decrease in Trade Receivables	(186.01)	(10.02)	132.72	(59.41)
Increase/Decrease in Inventories	(56.34)	(54.06)	(133.87)	156.26
Increase/Decrease in Other Financial Assets	2.62	5.36	19.30	(13.68)
Increase/Decrease in Other Assets	(20.70)	(2.47)	(2.26)	19.41
Increase/Decrease in Trade Payables	(68.88)	32.13	(128.35)	18.45
Increase/Decrease in Other Financial Liabilities	21.74	(3.19)	1.61	15.35
Increase/Decrease in Other Liabilities	10.31	(6.99)	1.21	(24.18)
Increase/Decrease in Employee Benefits	10.01	(1.11)	12.18	11.87
Foreign currency Translation Reserve	0.98	(0.84)	3.11	-
Cash generated from operations	**(28.10)**	**372.66**	**279.45**	**423.82**
Direct Taxes paid (incl TDS net off refund recd)	(31.80)	(86.34)	(40.87)	(60.91)
Net Cash from Operating Activities (A)	**(59.90)**	**286.32**	**238.58**	**362.90**
B) CASH FLOW FROM INVESTING ACTIVITIES :				
Purchases of Property, Plant and Equipment, Intangibles & Capital Work in Progress	(85.97)	(73.29)	(22.83)	(73.46)
Investment in Mutual Fund	77.40	(60.69)	(40.12)	(68.42)
Investment in Equity Shares	-	-	-	0.00
Interest Income	1.17	5.11	2.69	1.76
Dividend Received on Mutual Fund	-	-	0.42	-
Investment in bank deposit	(16.08)	35.42	(43.38)	(30.75)
Net cash used in investing activities (B)	**(23.48)**	**(93.45)**	**(103.22)**	**(170.87)**
C) CASH FLOW FROM FINANCING ACTIVITIES :				
Dividend paid	-	(18.42)	(14.76)	-
Proceeds from issue of Share Capital	-	-	0.26	0.36
Share Premium Account	-	-	4.37	3.71
Interest Paid	(10.10)	(25.83)	(32.91)	(41.97)
Repayment/ Proceeds from Long-Term Borrowings	(17.46)	(48.20)	(35.22)	(17.12)
Repayment/ Proceeds from Short-Term Borrowings	59.14	(85.65)	69.23	(172.93)
Net cash used in / (from) Financing Activities (C)	**31.58**	**(178.10)**	**(9.03)**	**(227.94)**
Net Increase in Cash & Cash Equivalents (A+B+C)	**(51.80)**	**14.77**	**126.33**	**(35.91)**
Cash & Cash Equivalents (Opening Balance)	175.05	160.28	33.95	69.86
Cash & Cash Equivalents (Closing Balance)	**123.25**	**175.05**	**160.28**	**33.95**

The above Cash Flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS-7) on " Cash Flow Statements" as notified by the Companies (Accounting Standard) Rules, 2015.

Significant accounting policies	1- 2.1
Notes to the consolidated Ind AS financial statements	2.2 - 55

GENERAL INFORMATION

Our Company was originally incorporated as '*Hexagon Chemoils Private Limited*', a private limited company under the Companies Act, 1956 at Mumbai, Maharashtra, pursuant to a certificate of incorporation dated May 27, 1993 issued by the RoC. The name of our Company was change changed to '*Hexagon Nutrition Private Limited*' pursuant to a special resolution of the shareholders of our Company dated December 30, 2005 and a fresh certificate of incorporation dated January 10, 2006 was issued by the RoC. Subsequently, our Company was converted into a public limited company, pursuant to a special resolution of the shareholders of our Company dated October 14, 2021 and the name of our Company was changed to '*Hexagon Nutrition Limited*' and a fresh certificate of incorporation dated November 15, 2021 was issued by the RoC.

For further details on the change in the name and the registered office of our Company, see "*History and Certain Corporate Matters*" beginning on page 176.

Registered and Corporate Office of our Company

The address and certain other details of our Registered and Corporate Office are as follows:

Hexagon Nutrition Limited
404 Global Chamber, Adarsh Nagar
Link Road, Andheri (West)
Mumbai – 400 053, Maharashtra, India
Website: www.hexagonnutrition.com
Telephone No.: +91 22 62136700

Company registration number and corporate identity number

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

Company registration number: 072189
Corporate identity number: U24110MH1993PLC072189

Address of the Registrar of Companies

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

100, Everest,
Marine Drive,
Mumbai- 400 002,
Maharashtra, India.

Board of Directors

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

Name and designation on the Board	Designation	DIN	Address
Arun Purushottam Kelkar	Chairman and Executive Director	00171276	Flat 1903, Floor-19, Wing B, Kabra Metro one-B, Pratap CHSL, Jai Prakash Road, Next to Versova Metro Station, Andheri West, Mumbai 400053, Maharashtra, India.
Subhash Purushottam Kelkar	Executive Director	00177280	Flat no 02, Patil Parichay Apartment Near Old Gangapur Naka, Patil Park, Behind Bon Vivant Hotel, Bhonsala Military School, Nashik422005, Maharashtra, India.
Vikram Arun Kelkar	Managing Director	02302364	B/6, Shubham CHSL,7th Bungalow, Juhu Versova Link Road, Azad Nagar,

Name and designation on the Board	Designation	DIN	Address
			Andheri (West), Mumbai – 400053, Maharashtra, India.
Dr. Nikhil Arun Kelkar	Joint Managing Director	02302369	C/4, Shubham CHS LTD, Juhu Versova Link Road, Above Banana Leaf Restaurant, Andheri West, Mumbai – 400053, Maharashtra, India
Aditya Subhash Kelkar	Executive Director	02312705	Flat No 3, Dharmaraj Plaza, Gangapur Road, Near Vaishali Building, Old Gangapur Naka, Nashik – 422005, Maharashtra, India
Chandra Prakash Jain	Independent Director	01079553	75, Sarthi 1, Subhash Chowk, Memnagar, Ahmedabad 380052, Gujarat, India
Neeraj Katare	Independent Director	07227648	1101/1102, Brookhill, Hiranandani Estate, Patlipada, Ghodbunder Road, Thane 400607**,** Maharashtra, India
Aparna Sharma	Independent Director	07132341	E/55, Venus Society, 14th Floor, 48R G Thadani Marg, Worli Sea face, Worli, Mumbai 400018**,** Maharashtra
Sunil Sudhakarrao Deshmukh	Independent Director	05210882	Flat No. 101, Mayfair Gardens Azad Lane, Off S V Road, Andheri West, Mumbai – 400 058, Maharashtra, India
Ashlesha Ashok Parchure	Independent Director	06593021	Emerald Residency, Flat No. 9, 4th Floor, Sakharam Keer Road, Near Kohinoor Square Mahim, Mumbai – 400 016, Maharashtra, India.

For further details of our Board of Directors, see "*Our Management – Board of Directors*" on page 193.

Company Secretary and Compliance Officer

Poonam Sharma is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Poonam Sharma
404 Global Chamber, Adarsh Nagar
Link Road, Andheri (West)
Mumbai – 400 053
Maharashtra, India
Tel: +9198237 91642
E-mail: cs.hnpl@hexagonnutrition.com

Filing

A copy of this Draft Red Herring Prospectus has been filed electronically on the SEBI's online portal and at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on dated March 27, 2020, in relation to "Easing of Operational Procedure – Division of Issues and Listing – CFD" and has also been uploaded on the SEBI intermediary portal at https://siportal.sebi.gov.in as specified in Regulation 25(8) of the SEBI ICDR Regulations and the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act would be filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC at its office.

Book Running Lead Managers

Equirus Capital Private Limited
12th Floor, C Wing, Marathon Futurex
N M Joshi Marg, Lower Parel
Mumbai – 400 013
Maharashtra, India.
Tel: +91 22 4332 0700
E-mail: hnl.ipo@equirus.com
Website: www.equirus.com
Investor grievance e-mail: investorsgrievance@equirus.com
Contact person: Vaibhav Shah
SEBI Registration Number: INM000011286

SBI Capital Markets Limited
202, Maker Tower 'E', Cuffe Parade
Mumbai – 400 005
Maharashtra, India.
Tel: +91 22 2217 8300
E-mail: hexagon.ipo@sbicaps.com
Website: www.sbicaps.com
Investor Grievance e-mail: investor.relations@sbicaps.com
Contact Person: Aditya Deshpande
SEBI Registration Number: INM000003531

Syndicate Members

[●]

Statement of inter-se allocation of responsibilities

The following table sets forth the inter-se allocation of responsibilities for various activities among the BRLMs:

S.No.	Activity	Responsibility	Co-ordinator
1.	Capital structuring, positioning strategy and due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing.	Equirus, SBICAP	Equirus
2.	Drafting and approval of all statutory advertisements	Equirus, SBICAP	Equirus
3.	Appointment of intermediaries viz., Registrar's, Printers, Advertising Agency, Syndicate, Sponsor Bank, Bankers to the Issue and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	Equirus, SBICAP	SBICAP
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (2) above including corporate advertisement, brochure and filing of media compliance report.	Equirus, SBICAP	SBICAP
5.	International Institutional marketing of the Offer, which will cover, inter alia: • Preparation of frequently asked questions; • Institutional marketing strategy; • Finalizing the list and division of international investors for one-to-one meetings; ● • Finalizing international road show and	Equirus, SBICAP	Equirus

	investor meeting schedule		
6.	Domestic Institutional marketing of the Offer, which will cover, inter alia: • Preparation of road show marketing presentation • Institutional marketing strategy; • Finalizing the list and division of domestic investors for one-to-one meetings; and • Finalizing domestic road show and investor meeting schedule	Equirus, SBICAP	SBICAP
7.	Non-Institutional marketing of the Issue and retail marketing of the Issue, which will cover, inter alia: • Formulating marketing strategies; • preparation of publicity budget, finalizing media and public relations strategy. • Finalizing centres for holding conferences for brokers • Finalizing collection centres; • Finalising commission structure; • Arranging for selection of underwriters and underwriting agreement and • Follow-up on distribution of publicity and Issue material including form, prospectus and deciding on the quantum of the Issue material.	Equirus, SBICAP	SBICAP
8.	Managing the book and finalization of pricing in consultation with the Company	Equirus, SBICAP	Equirus
9.	Coordination with Stock Exchanges for Book Building Process, filing of letters including software, bidding terminals, mock trading, payment of 1% security deposit to the Designated Stock Exchange and Anchor Investor intimation	Equirus, SBICAP	SBICAP
10.	Post- Issue activities, which shall involve essential follow-up with bankers to the Issue and SCSBs to get quick estimates of collection and advising our Company about the closure of the Issue, based on correct figures, finalization of the basis of allotment or weeding out of multiple applications, listing of instruments, demat credit and refunds and coordination with various agencies connected with the post-Issue activity such as Registrar to the Issue, Bankers to the Issue, SCSBs including responsibility for underwriting arrangements, as applicable. Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Issue reports including the initial and final post Issue report to SEBI	Equirus, SBICAP	SBICAP

Legal Counsel to the Company

M/s. Crawford Bayley and Co.
State Bank Building, 4th Floor
N.G.N. Vaidya Marg, Fort
Mumbai – 400 023
Maharashtra, India
Tel: +91 22 2266 3353

Legal Counsel to the BRLMs

Bharucha & Partners
13th Floor, Free Press House
Free Press Journal Marg, Nariman Point

Mumbai – 400 021
Maharashtra, India
Tel: +91 22 2289 9300

Legal Counsel to the Investor Selling Shareholders

Economic Laws Practice
9th Floor, Mafatlal Center
Vidhan Bhavan Marg, Nariman Point
Mumbai 400 021
Tel: + 91 22 6636 7000

Registrar to the Offer

KFin Technologies Private Limited
Selenium Tower – B, Plot 31 & 32
Gachibowli, Financial District
Nanakramguda, Serilingampally
Hyderabad – 500 032
Telangana, India.
Tel: +91 40 6716 2222
E-mail: hnl.ipo@kfintech.com
Website: www.kfintech.com
Investor Grievance e-mail: einward.ris@kfintech.com
Contact Person: M. Murali Krishna
SEBI Registration Number: INR000000221

Statutory Auditor of our Company

Bhuwania & Agrawal Associates
A/403, Express Zone,
Off Western Express Highway,
Malad (East), Mumbai 400 097,
Maharashtra, India.
E-mail: nk@bhuwaniaagrawal.com
Telephone: +91 96190 42216
Firm registration number:101483W
Peer review no.:011613

Changes in Auditors

There have been no changes in our statutory auditors during the last three years preceding the date of this DRHP.

Banker(s) to the Offer

Escrow Collection Bank(s)

[●]

Refund Bank(s)

[●]

Public Offer Bank(s)

[●]

Sponsor Bank

[●]

Bankers to our Company

Citibank NA
Citibank NA, 10th Floor, First International Finance Center, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
Contact Person: Vidya Vasudevan Iyer
Telephone Number: 022 6175 6244
E-mail ID: vidya.vasudevan.iyer@citi.com
Website: www.citibank.co.in

HDFC Bank Limited
3rd Floor, C Wing, Trade Star,
J B Nagar, Andheri (East),
Mumbai – 400 059
Contract Person: Mr. Mahendra Rawool
Telephone Number: +91 9324887718
E-mail ID: mahendra.rawool@hdfcbank.com
Website: www.hdfcbank.com

Union Bank of India
116 Saurabh Building,
Andheri Kurla Road, 400093
Contact Person: Satyendra Chaudhary
Telephone Number: 022 2832 8626
E-mail ID: BM0028@unionbankofindia.com
Website: www.unionbankofindia.com

Syndicate Members

[●]

IPO Grading

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Monitoring Agency

Our Company will appoint a monitoring agency for monitoring the utilisation of the Net Proceeds prior to the filing of the Red Herring Prospectus in accordance with Regulation 41 of SEBI ICDR Regulations. For details in relation to the proposed utilisation of the Net Proceeds, see "*Objects of the Offer*" on page 90.

Appraising Entity

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

Credit Rating

As this is an Offer of Equity Shares, there is no credit rating required for the Offer.

Debenture Trustee

As this is an offer of Equity Shares, the appointment of a debenture trustee is not required.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Changes in auditors

There have been no changes to our statutory auditors in the last three years:

Designated Intermediaries

Self-Certified Syndicate Banks

The banks registered with SEBI, which offer the facility of ASBA services in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

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

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form(s) of Bidders (other than RIIs) is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.
Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at www.sebi.gov.in.

Self-Certified Syndicate Banks eligible as Issuer Banks for UP Mechanism

The list of SCSBs through which Bids can be submitted by RIIs using the UPI Mechanism, including details such as the eligible Mobile Apps and UPI handle which can be used for such Bids, is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI mechanism is appearing in the "list of mobile applications for using UPI in public issues" displayed on the SEBI website. Details of nodal officers of SCSBs, identified for Bids made through the UPI Mechanism, are available at www.sebi.gov.in.

Syndicate SCSB Branches

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

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, respectively, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and on the website of NSE at http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Experts

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

Our Company has received written consent dated December 21, 2021 from Bhuwania & Agarwal Associates to include their name as required under Section 26 of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of their (i) examination report, dated December 7, 2021 on our Restated Consolidated Financial Statements; and (ii) the statement of possible tax benefits available to the Company and its shareholders dated December 21, 2021, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

In addition, our Company has received written consents dated December 15, 2021 from C Ravi Shankar, as a chartered engineer to include his name as an "expert" as defined under Section 2(38) and other applicable provisions of the Companies Act, 2013 in respect of the certificate dated December 15, 2021, on the manufacturing capacity at the Company's manufacturing facilities at Nashik, Chennai and Thoothukudi and its utilization at these manufacturing facilities including other details, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

The term "experts" and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

Book Building Process

The book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and the minimum Bid Lot will be decided by our Company and Selling Shareholders, in consultation with the Book Running Lead Managers, and shall be advertised in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and regional edition of [●], a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Offer Price shall be determined by our Company and Selling Shareholders in consultation with the Book Running Lead Managers after the Bid/ Offer Closing Date. For details, see "*Offer Procedure*" beginning on page 357.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs. In addition to this, the RIIs may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. RIIs (subject to the Bid Amount being up to ₹ 200,000). Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Offer Period. Allocation to QIBs (other than Anchor Investors) and Non-Institutional Investors will be on a proportionate basis while Allocation to the Anchor Investors will be on a discretionary basis.

For further details on the method and procedure for Bidding and book building process, see "*Offer Structure*" and "*Offer Procedure*" beginning on pages 354 and 357, respectively.

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

Bidders should note that the Offer is also subject to (i) obtaining final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) filing of the Prospectus with the RoC.

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

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and Selling Shareholders shall enter into an Underwriting Agreement with the Underwriters for the Equity Shares offered in the Offer. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. The Underwriting Agreement will be dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC)

(₹ in million)

Name, address, telephone and e-mail of Underwriters	Indicative number of Equity Shares to be Underwritten	Amount Underwritten
[●]	[●]	[●]

The above-mentioned underwriting commitments are indicative and will be finalised after determination of Offer Price and Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

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

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC.

CAPITAL STRUCTURE

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

(In ₹ except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Offer Price*
A.	**AUTHORIZED SHARE CAPITAL**		
	150,000,000 Equity Shares of face value of ₹1 each	150,000,000	-
	12,500,000 Compulsorily Convertible Preference Shares of face value of ₹ 10 each	125,000,000	-
B.	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	110,502,404 Equity Shares of face value of ₹ 1 each	110,502,404	-
	12,208,212 CCPS of face value of ₹10 each	122,082,120	-
C.	**PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS**		
	Offer of up to [●] Equity Shares aggregating up to ₹ [●] million (1) (2)		
	comprising:		
	Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 1,000.00 million (1)	[●]	[●]
	Offer for Sale of up to 30,113,918 Equity Shares aggregating up to ₹ [●] million (2)	[●]	[●]
D.	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER***		
	[●] Equity Shares of face value of ₹1 each	[●]	[●]
E.	**SECURITIES PREMIUM RESERVE**		
	Before the Offer		168,132,544
	After the Offer		[●]

** To be updated upon finalization of the Offer Price.*

(1) *The Offer has been authorised by a resolution of our Board dated December 7, 2021 and the Fresh Issue has been authorised by a special resolution of our Shareholders, dated December 7, 2021.*

(2) *Each of the Selling Shareholders, severally, have confirmed that the Equity Shares being offered by such Selling Shareholder in the Offer for Sale, are eligible to be offered for sale in the Offer in accordance with the SEBI ICDR Regulations. Certain details of the Selling Shareholders are set out below. For more details, see "Other Regulatory and Statutory Disclosures" beginning on page 336.*

Name of the Selling Shareholder	Number of the Offered Shares	Date of consent letter
Arun Purushottam Kelkar	7,700,000	December 17, 2021
Subhash Purushottam Kelkar	6,136,000	December 17, 2021
Nutan Subhash Kelkar	2,500,000	December 17, 2021
Anuradha Arun Kelkar	1,500,000	December 17, 2021
Somerset Indus Healthcare Fund I Limited	12,204,250*	December 17, 2021
Mayur Sirdesai	73,668*	December 17, 2021

**As on the date of this Draft Red Herring Prospectus, Somerset holds 1,000 Equity Shares and 12,135,056 CCPS and Mayur Sirdesai holds 100 Equity Shares and 73,156 CCPS. All the outstanding CCPS shall be converted into maximum 12,276,818 Equity Shares comprising 12,203,250 Equity Shares to Somerset and 73,568 Equity Shares to Mayur Sirdesai prior to filing the Red Herring Prospectus with the RoC. Subsequent to the conversion of the CCPS into the Equity Shares, it will be part of the Offered Shares offered in the Offer.*

Changes in the authorised share capital of our Company

For details of the changes to the authorised share capital of our Company in the past 10 years, see "*History and Certain Corporate Matters-Amendments to our Memorandum of Association*" on page 176.

Notes to the Capital Structure

1. Equity Share capital history of our Company

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

Date of allotment	No. of Equity Shares allotted	Face value (₹)	Issue price per equity share (₹)	Reason/Nature of allotment	Form of consideration	Cumulative number of Equity Shares	Cumulative paid-up equity share capital (₹)
May 27, 1993	200	10	10	Initial subscription to the MOA (1)	Cash	200	2,000
June, 01, 1993#	51,300	10	10	Further issue (2)	Cash	51,500	51,500
March 31,2000#	15,000	10	10	Further issue (3)	Cash	66,500	665,000
March 31, 2006	233,500	10	10	Further issue (4)	Cash	300,000	3,000,000
August 25, 2008	Our Company sub-divided each equity share of a face value of ₹ 10 each to an equity share of a face value of ₹ 1 each.					3,000,000	3,000,000
September 22, 2008	15,000,000	1	-	Bonus issue in the ratio of 5 Equity Shares for every 1 Equity Share held in our Company (5)	-	18,000,000	18,000,000
September 1, 2009	4,475,000	1	1	Further issue (6)	Cash	22,475,000	22,475,000
January 1, 2011	1,784,000	1	1	Further issue (7)	Cash	24,259,000	24,259,000
February 17, 2012	2,375,000	1	1	Further issue (8)	Cash	26,634,000	26,634,000
December 2, 2013	3,350,000	1	1	Further issue (9)	Cash	29,984,000	29,984,000
November 8, 2014	59,968,000	1	-	Bonus issue in the ratio of 2 Equity Shares for every 1 Equity Share held in our Company (10)	-	89,952,000	89,952,000
August 2, 2015	2,350,230	1	2.61	Further issue (11)	Cash	92,302,230	92,302,230
August 2, 2015	8,965,571	1	2.61	Allotment pursuant to conversion of loan into Equity Shares (12)	Other than cash	101,267,801	101,267,801
August 7, 2015	8,616,003	1	2.61	Further issue (13)	Cash	109,883,804	109,883,804

Date of allotment	No. of Equity Shares allotted	Face value (₹)	Issue price per equity share (₹)	Reason/Nature of allotment	Form of consideration	Cumulative number of Equity Shares	Cumulative paid-up equity share capital (₹)
November 26, 2016	1,100	1	20.48	Preferential allotment (14)	Cash	109,884,904	109,884,904
March 26, 2019	357,500	1	7	Allotment pursuant to ESOP Scheme (15)	Cash	110,242,404	110,242,404
March 19, 2020	2,60,000	1	7	Allotment pursuant to ESOP Scheme (16)	Cash	110,502,404	110,502,404

#We have placed reliance on the disclosures made in the Board minutes and/or financial statements and share certificates, to ascertain the details of the issue of Equity Shares, the nature of allotment and the nature of consideration since the Form 2 for the relevant allotments are neither available in the records of our Company, nor available with respective holder of equity shares, nor are they available in the records of the RoC, as certified by M/s RHS and Associates, Practicing Company Secretary, in the search report dated December 15, 2021. For further information, please refer to risk factor "Our Company was incorporated in 1993 and certain documents filed by us with the RoC and certain corporate records and other documents, are not traceable. While we have conducted a search with the RoC, in respect of the availability of such forms and other records, we cannot assure you that such forms or records will be available at all or any time in the future." under section titled 'Risk Factors' on page 29.

(1) Allotment of 100 equity shares each to Arun Purushottam Kelkar and Subhash Purushottam Kelkar as initial subscribers to the MoA.

(2) Allotment of 100 equity shares each to Milapchand Kavedia, Anil Agarwal and Sheela Agarwal and 26,000 shares to Arun Purushottam Kelkar and 25,000 equity shares to Subhash Purushottam Kelkar

(3) Allotment of 10,000 equity shares to Anuradha Arun Kelkar and 5,000 equity shares to Nutan Subhash Kelkar.

(4) Allotment of 50,000 equity shares each to Arun Purushottam Kelkar, Subhash Purushottam Kelkar, Anuradha Arun Kelkar and 83,500 equity shares to Vikram Arun Kelkar.

(5) Allotment of 3,805,000 Equity Shares to Arun Purushottam Kelkar, 3,755,000 Equity Shares to Subhash Purushottam Kelkar, 3,000,000 Equity Shares to Anuradha Arun Kelkar, 250,000 Equity Shares to Nutan Subhash Kelkar, 4,175,000 Equity Shares to Vikram Arun Kelkar and 15,000 Equity Shares to Dr. Nikhil Arun Kelkar;

(6) Allotment of 700,000 Equity Shares each to Arun Purushottam Kelkar, Subhash Purushottam Kelkar and Dr. Nikhil Arun Kelkar, 550,000 Equity Shares to Anuradha Arun Kelkar, 775,000 Equity Shares to Vikram Arun Kelkar, 50,000 Equity Shares to Nutan Subhash Kelkar and 1,000,000 Equity Shares to Sanjivani Dhopeshwarkar.

(7) Allotment of 400,000 Equity Shares each to Arun Purushottam Kelkar and Subhash Purushottam Kelkar, 300,000 Equity Shares to Anuradha Arun Kelkar, 450,000 Equity Shares to Vikram Arun Kelkar, 124,000 Equity Shares to Dr. Nikhil Arun Kelkar, 25,000 Equity Shares to Nutan Subhash Kelkar and 85,000 Equity Shares to Sanjivani Dhopeshwarkar.

(8) Allotment of 500,000 Equity Shares each to Arun Purushottam Kelkar, Vikram Arun Kelkar and Nutan Subhash Kelkar, 400,000 Equity Shares to Anuradha Arun Kelkar, 100,000 Equity Shares to Aditya Subhash Kelkar, 200,000 Equity Shares to Subhash Purushottam Kelkar and 175,000 Equity Shares to Dr. Nikhil Arun Kelkar.

(9) Allotment of 600,000 Equity Shares each to Arun Purushottam Kelkar, Subhash Purushottam Kelkar and Dr. Nikhil Arun Kelkar, 200,000 Equity Shares each to Nutan Subhash Kelkar and Aditya Subhash Kelkar, 500,000 Equity Shares to Anuradha Arun Kelkar and 650,000 Equity Shares to Vikram Arun Kelkar.

(10) Allotment of 14,082,000 Equity Shares to Arun Purushottam Kelkar, 12,812,000 Equity Shares to Subhash Kelkar, 11,250,000 Equity Shares to Anuradha Arun Kelkar, 2,150,000 Equity Shares to Nutan Subhash Kelkar, 15,320,000 Equity Shares to Vikram Arun Kelkar, 3,754,000 Equity Shares to Dr. Nikhil Arun Kelkar and 600,000 Equity Shares to Aditya Kelkar.

(11) Allotment of 574,713 Equity Shares to Subhash Purushottam Kelkar, 766,283 Equity Shares to Dr. Nikhil Arun Kelkar, 383,142 Equity Shares to Nutan Subhash Kelkar and 626,092 Equity Shares to Aditya Kelkar.

(12) Allotment of 3,223,406 Equity Shares to Arun Purushottam Kelkar, 957,854 Equity Shares to Anuradha Arun Kelkar, 944,081 Equity Shares to Vikram Arun Kelkar and 3,840,230 Equity Shares to Dr. Nikhil Arun Kelkar pursuant to conversion of an unsecured loan advanced to the Company by Arun Purushottam Kelkar, Anuradha Arun Kelkar, Vikram Arun Kelkar and Dr. Nikhil Arun Kelkar into Equity Shares.

(13) Allotment of 4,396,280 Equity Shares to Subhash Purushottam Kelkar, 2,020,963 Equity Shares to Vikram Arun Kelkar and 2,198,760 Equity Shares to Dr. Nikhil Arun Kelkar.

(14) Allotment of 1,000 Equity Shares to Somerset Indus Healthcare Fund I Limited and 100 Equity Shares to Mayur Sirdesai.

(15) Allotment of 2,500 Equity Shares each to Ashmi Gharat, Dharmendra Sumbad, Dinesh Dake, Dipali Pillai, Monica Monteiro, Nikita Lad, Nilesh Shirsat, Pradeep Naikade, Pravin Kadam, Ranjeet Saroj, Renuka Purkar, Shamili Kuckian, Shweta Singh, Vinayak Katkade, Ganesh Walve, Indersen Singh, Nikita Kulthe, Pawan Bhagwat, Praful Katare, Sagar Gaidhani, Sagar Nikam, Sanjay Karmalkar, Saurabh Kulkarni, Shrikant Kulkarni, Sujata Mundhe, Sushil Jagtap, Vikas Hiray, Siddharth Sonawane, B. Divya, G. Mohan, Namasivayam, Rajesh Kumar Kannan, Rajesh S.,Ramkumar B., Ritesh Shukla, S. Karunanidhi, Sadhasivam K., Sathya Sainathan B., Gomathinayagam V.P., S. Gnana David and T. Ulaganathan Ganesan, 5000 Equity Shares each to Ajay Hattangadi, Farheen Qureshi, Kishori Pathare, Muzaffar Qureshi, Nikhil Wajpe, Pooja Shanbhag, Rahul Jain, Sachin Redkar, Surabhi Dubey, Trupti Patil, Vandita Gadkari, Vishwanath Nair, Atish Nagmoti, Chaitali Deshmukh, Santosh Shah, Rahul Tukaram Gedam, Abdul Subhan S.A.K., Ashwin Raj R., G. Nagalingam, Khursheed Durrani, M.S. Subbhalakshmi, Muthumani T., Nadimuthu T., Rajesh Kumar Nandi, S. Umachandiran, Suchitra S. and Umashankar Karuppasamy, 15,000 Equity Shares each issued to Soman Jana, Suhas Samant and Hemant Hiray and 37,500 Equity Shares each to Arun Om Lal and Amit Kataria.

(16) Allotment of 2,500 Equity Shares each to Ashmi Gharat, Dharmendra Sumbad, Dinesh Dake, Dipali Pillai, Nikita Lad, Nilesh Shirsat, Pradeep Naikade, Pravin Kadam, Ranjeet Saroj, Renuka Purkar, Sharmili Kuckian, Vinayak Katkade, Pawan Bhagwat, Praful Katare, Sagar Gaidhani, Sanjay Karmalkar, Shrikant Kulkarni, Sujata Mundhe, Sushil Jagtap, Vikas Hiray, G. Mohan, Namasivayam, Rajesh S., Ritesh Shukla, S. Karunanidhi, Sathya Sainathan B., S. Gnana David and T. Ulaganathan Ganesan, 5,000 Equity Shares each to Kishori Pathare, Muzaffar Qureshi, Nikhil Wajpe, Pooja Shanbhag, Rahul Jain, Trupti Patil, Vandita Gadkari, Vishwanath Nair, Rahul Tukaram Gedam, Abdul Subhan S.A.K., Ashwin Raj R., Khursheed Durrani, M.S. Subhalakshmi, Nadimuthu T., Rajesh Kumar Nandi, S. Umachandiran and Suchitra S., 15,000 Equity Shares each to Soman Jana and Suhas Samant and 37,500 Equity Shares each to Arun Om Lal and Amit Kataria.

2. Issue of Equity Shares for consideration other than cash or out of revaluation reserves

Except as set out below, our Company has not issued Equity Shares through bonus issue or for consideration other than cash.

Date of allotment	Reason for Allotment	No. of Equity Shares Allotted	Face value (₹)	Issue price (₹)	Benefits accrued to our Company
September 22, 2008	Bonus issue in the ratio of 5 Equity Shares for every 1	15,000,000	1	-	-

	Equity Share held in our Company [(1)]				
November 8, 2014	Bonus issue in the ratio of 2 Equity Shares for every 1 Equity Share held in our Company [(2)]	59,968,000	1	-	-
August 2, 2015	Allotment pursuant to conversion of loan into Equity Shares [(3)]	8,965,571	1	2.61	De-leveraging the Company by discharge of unsecured loan availed from to our Promoters

(1) Allotment of 3,805,000 Equity Shares to Arun Purushottam Kelkar, 3,755,000 Equity Shares to Subhash Purushottam Kelkar, 3,000,000 Equity Shares to Anuradha Arun Kelkar, 250,000 Equity Shares to Nutan Subhash Kelkar, 4,175,000 Equity Shares to Vikram Arun Kelkar and 15,000 Equity Shares to Dr. Nikhil Arun Kelkar;

(2) Allotment of 14,082,000 Equity Shares to Arun Purushottam Kelkar, 12,812,000 Equity Shares to Subhash Purushottam Kelkar, 11,250,000 Equity Shares to Anuradha Arun Kelkar, 2,150,000 Equity Shares to Nutan Subhash Kelkar, 15,320,000 Equity Shares to Vikram Arun Kelkar, 3,754,000 Equity Shares to Dr. Nikhil Arun Kelkar and 600,000 Equity Shares to Aditya Subhash Kelkar.

(3) Allotment of 3,223,406 Equity Shares to Arun Purushottam Kelkar, 957,854 Equity Shares to Anuradha Arun Kelkar, 944,081 Equity Shares to Vikram Arun Kelkar and 3,840,230 Equity Shares to Dr. Nikhil Arun Kelkar pursuant to conversion of an unsecured loan advanced to the Company by Arun Purushottam Kelkar, Anuradha Arun Kelkar, Vikram Arun Kelkar and Dr. Nikhil Arun Kelkar into Equity Shares.

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

4. Preference Share capital history of our Company

The following table sets forth the history of the outstanding preference share capital of our Company.

Date of allotment	**Reason/Nature of allotment**	**No. of CCPS allotted**	**Cumulative No. of CCPS**	**Face value (₹)**	**Issue price per CCPS (₹)**	**Form of consideration**
November 28, 2016	Preferential allotment [(1)]	12,208,212	12,208,212	10	20.48	Cash

(1) Allotment of 12,135,056 CCPS to Somerset and 73,156 CCPS to Mayur Sirdesai.

As on the date of this Draft Red Herring Prospectus, Somerset holds 12,135,056 CCPS and Mayur Sirdesai holds 73,156 CCPS. All the outstanding CCPS shall be converted into 1,22,76,818 Equity Shares comprising 1,22,03,250 Equity Shares to Somerset and 73,568 Equity Shares to Mayur Sirdesai prior to filing the Red Herring Prospectus with the RoC. For details in relation to the terms of the preference shares, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 376.

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

6. All transactions in Equity Shares by our Promoters and members of our Promoter group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.

7. Our Company has not issued any Equity Shares during the period of one year preceding the date of this Draft Red Herring Prospectus.

8. Shareholding Pattern of our Company

The table below presents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of Equity Shares held (VII) =(IV)+(V) + (VI)	Shareholding as a % of total number of Equity Shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of Equity shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B + C)			Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Equity Shares held (b)	
								Class (Equity Shares)	Class (Others)	Total								
(A)	Promoter and Promoter Group	7	109,883,804	0	0	109,883,804	99.44	109,883,804	0	109,883,804	99.44	0	89.50	0			0	0
(B)	Public	75	618,600	0	0	618,600	0.56	618,600	0	618,600	0.56	0	10.50	260,000	0.24		0	0
(C)	Non Promoter-Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0			0	0
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0			0	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0			0	0
	Total	**82**	**110,502,404**	**0**	**0**	**110,502,404**	**100**	**110,502,404**	**0**	**110,502,404**	**100**	**0**	**100**	**260,000**	**0.24**		**0**	**0**

9. Other details of Shareholding of our Company

(a) As on the date of the filing of this Draft Red Herring Prospectus, our Company has eighty-two holders of Equity Shares and two holders of CCPS.

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

S. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre- Offer Equity Share capital (%)	Number of Equity Shares to be held upon conversion of existing CCPS*	Percentage of the pre-Offer Equity Share capital on a fully diluted basis (%)
1.	Vikram Arun Kelkar	25,945,044	23.48	25,945,044	21.13
2.	Arun Purushottam Kelkar	24,346,406	22.03	24,346,406	19.83
3.	Subhash Purushottam Kelkar	24,188,993	21.89	24,188,993	19.70
4.	Dr. Nikhil Arun Kelkar	21,216,068	19.20	21,216,068	17.28
5.	Anuradha Arun Kelkar	9,053,059	8.19	9,053,059	7.37
6.	Nutan Subhash Kelkar	3,608,142	3.27	3,608,142	2.94
7.	Aditya Subhash Kelkar	1,526,092	1.38	1,526,092	1.24
8.	Somerset Indus Healthcare Fund I Limited	1,000	Negligible	12,204,250	9.94

**As on the date of this Draft Red Herring Prospectus, Somerset holds 12,135,056 CCPS and Mayur Sirdesai holds 73,156 CCPS. All the outstanding CCPS shall be converted into maximum 1,22,76,818 Equity Shares comprising 1,22,03,250 Equity Shares to Somerset and 73,568 Equity Shares to Mayur Sirdesai prior to filing the Red Herring Prospectus with the RoC..*

(c) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of 10 days prior to filing this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre- Offer Equity Share capital (%)	Number of Equity Shares to be held upon conversion of existing CCPS*	Percentage of the pre-Offer Equity Share capital on a fully diluted basis (%)
1.	Vikram Arun Kelkar	25,945,044	23.48	25,945,044	21.13
2.	Arun Purushottam Kelkar	24,346,406	22.03	24,346,406	19.83
3.	Subhash Purushottam Kelkar	24,188,993	21.89	24,188,993	19.70
4.	Dr. Nikhil Arun Kelkar	21,216,068	19.20	21,216,068	17.28
5.	Anuradha Arun Kelkar	9,053,059	8.19	9,053,059	7.37
6.	Nutan Subhash Kelkar	3,608,142	3.27	3,608,142	2.94
7.	Aditya Subhash Kelkar	1,526,092	1.38	1,526,092	1.24
8.	Somerset Indus Healthcare Fund I Limited	1,000	Negligible	12,204,250	9.94

**As on the date of this Draft Red Herring Prospectus, Somerset holds 12,135,056 CCPS and Mayur Sirdesai holds 73,156 CCPS. All the outstanding CCPS shall be converted into maximum 12,276,818 Equity Shares comprising 12,203,250 Equity Shares to Somerset and 73,568 Equity Shares to Mayur Sirdesai prior to filing the Red Herring Prospectus with the RoC.*

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

S. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre- Offer Equity Share Capital (%)	Number of Equity Shares to be held upon conversion of existing CCPS *	Percentage of the pre-Offer Equity Share capital on a fully diluted basis (%)
1.	Vikram Arun Kelkar	25,945,044	23.48	25,945,044	21.13
2.	Arun Purushottam Kelkar	24,346,406	22.03	24,346,406	19.83
3.	Subhash Purushottam Kelkar	24,188,993	21.89	24,188,993	19.70
4.	Dr. Nikhil Arun Kelkar	21,216,068	19.20	21,216,068	17.28
5.	Anuradha Arun Kelkar	9,053,059	8.19	9,053,059	7.37
6.	Nutan Subhash Kelkar	3,608,142	3.27	3,608,142	2.94
7.	Aditya Subhash Kelkar	1,526,092	1.38	1,526,092	1.24
8.	Somerset Indus Healthcare Fund I Limited	1,000	Negligible	12,204,250	9.94

** As on the date of this Draft Red Herring Prospectus, Somerset holds 12,135,056 CCPS and Mayur Sirdesai holds 73,156 CCPS. All the outstanding CCPS shall be converted into maximum 1,22,76,818 Equity Shares comprising 1,22,03,250 Equity Shares to Somerset and 73,568 Equity Shares to Mayur Sirdesai prior to filing the Red Herring Prospectus with the RoC.*

(e) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of two years prior to filing this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of the pre- Offer Equity Share capital (%)	Number of Equity Shares to be held upon conversion of existing CCPS *	Percentage of the pre-Offer Equity Share capital on a fully diluted basis (%)
1.	Vikram Arun Kelkar	25,945,044	23.53	25,945,044	21.18
2.	Arun Purushottam Kelkar	24,346,406	22.08	24,346,406	19.87
3.	Subhash Purushottam Kelkar	24,188,993	21.94	24,188,993	19.74
4.	Dr. Nikhil Arun Kelkar	21,216,068	19.24	21,216,068	17.32
5.	Anuradha Arun Kelkar	9,053,059	8.21	9,053,059	7.39
6.	Nutan Subhash Kelkar	3,608,142	3.27	3,608,142	2.94
7.	Aditya Subhash Kelkar	1,526,092	1.38	1,526,092	1.25
8.	Somerset Indus Healthcare Fund I Limited	1,000	Negligible	12,204,250	9.96

** As on the date of this Draft Red Herring Prospectus, Somerset holds 12,135,056 CCPS and Mayur Sirdesai holds 73,156 CCPS. All the outstanding CCPS shall be converted into maximum 1,22,76,818 Equity Shares comprising 1,22,03,250 Equity Shares to Somerset and 73,568 Equity Shares to Mayur Sirdesai prior to filing the Red Herring Prospectus with the RoC.*

10. Except for Equity Shares pursuant to the Fresh Issue and employee stock options that may be granted pursuant to the ESOP Scheme, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise.

11. Except for the CCPS, which shall be converted into Equity Shares prior to filing of the Red Herring Prospectus with the RoC, and/or employee stock options that may be granted pursuant to the ESOP Scheme

there are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Red Herring Prospectus.

12. **Details of acquisition of specified securities in the last three years**

None of the specified security was acquired in the last 3 years, by each of the Promoters, members of the Promoter Group and Investor Selling Shareholders.

13. Details of shareholding of our Promoters and members of the Promoter Group

a. As on the date of this Draft Red Herring Prospectus, our Promoters, in aggregate, holds 95,696,511 Equity Shares, equivalent to 86.60%^ of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below.

S. No.	Name of Promoter	Pre-Offer Equity Share capital		Post-Offer Equity Share capital	
		No. of Equity Shares	Percentage of total Equity Share capital (%)	No. of Equity Shares	% of total Equity Share Capital*
A.	Vikram Arun Kelkar	25,945,044	23.48	[●]	[●]
B.	Arun Purushottam Kelkar	24,346,406	22.03	[●]	[●]
C.	Subhash Purushottam Kelkar	24,188,993	21.89	[●]	[●]
D.	Dr. Nikhil Arun Kelkar	21,216,068	19.20	[●]	[●]

** Subject to finalisation of Basis of Allotment.*

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^Post the conversion of CCPS prior to filing the RHP, our Promoters will hold 77.94% of the Equity Share capital of our Company, on a fully diluted basis.

b. Build-up of the Promoter's shareholding in our Company#

The build-up of the equity shareholding of our Promoters since incorporation of our Company, is set forth in the table below.

Nature of transaction	Date of allotment/transfer	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)^
A. Arun Purushottam Kelkar						
Initial subscription to the MOA	May 27, 1993	100	10	10	-	[●]
Further issue[#]	June 01, 1993	26,000	10	10	-	[●]
Further issue	March 31, 2006	50,000	10	10	-	[●]
Our Company sub-divided each Equity Share of a face value of ₹ 10 each to one Equity Share of a face value of ₹ 1 each	August 25, 2008	761,000	1	-	0.69	[●]
Bonus issue in the ratio of 5 Equity Shares	September 22, 2008	3,805,000	1	-	3.44	[●]

Nature of transaction	Date of allotment/transfer	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)^
for every 1 Equity Share held in our Company						
Further issue	September 1, 2009	700,000	1	1	0.63	[●]
Further issue	January 1, 2011	400,000	1	1	0.36	[●]
Share transfer from Sanjivanee Dhopeshwarkar	January 1, 2012	275,000	1	1	0.25	[●]
Further issue	February 17, 2012	500,000	1	1	0.45	[●]
Further issue	December 2, 2013	600,000	1	1	0.54	[●]
Bonus issue in the ratio of 2 Equity Shares for every 1 Equity Share held in our Company	November 8, 2014	14,082,000	1	-	12.74	[●]
Allotment pursuant to conversion of loan into Equity Shares	August 2, 2015	3,223,406	1	2.61	2.92	[●]
Total (A)		**24,346,406**			**22.03**	[●]

B. Subhash Purushottam Kelkar						
Initial subscription to the MOA	May 27, 1993	100	10	10	-	[●]
Further issue#	June 01, 1993	25,000	10	10	-	[●]
Further issue	March 31, 2006	50,000	10	10	-	[●]
Our Company sub-divided each Equity Share of a face value of ₹ 10 each to one Equity Share of a face value of ₹ 1 each	August 25, 2008	751,000	1	-	0.68	[●]
Bonus issue in the ratio of 5 Equity Shares for every 1 Equity Share held in our Company	September 22, 2008	3,755,000	1	-	3.40	[●]
Further issue	September 1, 2009	700,000	1	1	0.63	[●]
Further issue	January 1, 2011	400,000	1	1	0.36	[●]
Further issue	February 17, 2012	200,000	1	1	0.18	[●]
Further issue	December 2, 2013	600,000	1	1	0.54	[●]

Nature of transaction	Date of allotment/transfer	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)^
Bonus issue in the ratio of 2 Equity Shares for every 1 Equity Share held in our Company	November 8, 2014	12,812,000	1	-	11.59	[●]
Further issue	August 2, 2015	574,713	1	2.61	0.52	[●]
Further issue	August 7, 2015	4,396,280	1	2.61	3.98	[●]
Total (B)		**24,188,993**			**21.89**	
C. Vikram Arun Kelkar						
Further issue	March 31, 2006	83,500	10	10	-	[●]
Our Company sub-divided each Equity Share of a face value of ₹ 10 each to one Equity Share of a face value of ₹ 1 each	August 25, 2008	835,000	1	-	0.76	[●]
Bonus issue in the ratio of 5 Equity Shares for every 1 Equity Share held in our Company	September 22, 2008	4,175,000	1	-	3.78	[●]
Further issue	September 1, 2009	775,000	1	1	0.70	[●]
Further issue	January 1, 2011	450,000	1	1	0.41	[●]
Transfer from Sanjivanee Dhopeshwarkar	January 1, 2012	275,000	1	1	0.25	[●]
Further issue	February 17, 2012	500,000	1	1	0.45	[●]
Further issue	December 2, 2013	650,000	1	1	0.59	[●]
Bonus issue in the ratio of 2 Equity Shares for every 1 Equity Share held in our Company	November 8, 2014	15,320,000	1	-	13.86	[●]
Allotment pursuant to conversion of loan into Equity Shares	August 2, 2015	94,4081	1	2.61	0.85	[●]
Further issue	August 7, 2015	2,020,963	1	2.61	1.83	[●]
Total (C)		**25,945,044**			**23.48**	[●]
D. Dr. Nikhil Arun Kelkar						

Nature of transaction	Date of allotment/transfer	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)^
Transfer from Milapchand C Kavedia	August 25, 2008	1,000	1	1	-	[●]
Transfer from Anil Agarwal	August 25, 2008	1,000	1	1	-	[●]
Transfer from Sheela Agarwal	August 25, 2008	1,000	1	1	-	[●]
Bonus issue in the ratio of 5 Equity Shares for every 1 Equity Share held in our Company	September 22, 2008	15,000	1	-	0.01	[●]
Further issue	September 1, 2009	700,000	1	1	0.63	[●]
Further issue	January 1, 2011	124,000	1	1	0.11	[●]
Further issue	February 17, 2012	175,000	1	1	0.16	[●]
Transfer from Sanjivani Dhopeshwarkar	January 1, 2012	260,000	1	1	0.24	[●]
Further issue	December 2, 2013	600,000	1	1	0.54	[●]
Bonus issue in the ratio of 2 Equity Shares for every 1 Equity Share held in our Company	November 8, 2014	3,754,000	1	-	3.40	[●]
Further issue	August 2, 2015	766,283	1	2.61	0.69	[●]
Allotment pursuant to conversion of loan into Equity Shares	August 2, 2015	3,840,230	1	2.61	3.48	[●]
Further issue	August 7, 2015	2,198,760	1	2.61	1.99	[●]
Transfer from Anuradha Arun Kelkar	October 19, 2015	8,779,795	1	-	7.95	[●]
Total (D)		**21,216,068**			**19.20**	[●]
Total (A+B+C+D)		**95,696,511**			**86.60**	**[●]**

^Subject to finalisation of Basis of Allotment.

#We have placed reliance on the disclosures made in the Board minutes and/or financial statements and share certificates, to ascertain the details of the issue of Equity Shares, the nature of allotment and the nature of consideration since the Form 2 for the relevant allotments are neither available in the records of our Company, nor available with respective holder of equity shares, nor are they available in the records of the RoC, as certified by M/s. RHS & Asscociates, Practicing Company Secretary, in the search report dated December 15, 2021. For further information, please refer to risk factor "Our Company was incorporated in 1993 and certain documents filed by us with the RoC and certain corporate records and other documents, are not traceable. While we have conducted a search with the RoC, in respect of the availability of such forms and other records, we cannot assure you that such forms or records will be available at all or any time in the future." under section titled 'Risk Factors' on page 29.

c. All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition of such Equity Shares.

d. None of the Equity Shares held by our Promoters are pledged or otherwise encumbered.

e. Other than as disclosed below, no member of the Promoter Group (other than our Promoters) hold Equity Shares as on the date of filing of this Draft Red Herring Prospectus.

S. No	**Name of the Shareholder**	**Pre-Offer**		**Post-Offer^**	
		No. of Equity Shares	**Percentage of total Shareholding (%)**	**No. of Equity Shares**	**Percentage of total Shareholding (%)**
1.	Anuradha Arun Kelkar	9,053,059	8.19	[●]	[●]
2.	Nutan Subhash Kelkar	3,608,142	3.27	[●]	[●]
3.	Aditya Subhash Kelkar	1,526,092	1.38	[●]	[●]
	Total	**14,187,293**	**12.84**	[●]	[●]

^Subject to finalisation of Basis of Allotment.

f. All Equity Shares held by our Promoter and Promoter Group shall be in dematerialized form prior to filing of the Red Herring Prospectus with the RoC.

g. Except as set forth in "*Capital Structure - Build-up of the Promoter's shareholding in our Company*", none of our Promoters, the members of the Promoter Group, our Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

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

14. Details of Promoter's contribution and lock-in for eighteen months

a) Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by the Promoters shall be locked in for a period of eighteen months as minimum promoter's contribution from the date of Allotment ("**Promoter's Contribution**"), and the Promoter's shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked-in for a period of six months from the date of Allotment.

b) Details of the Equity Shares to be locked-in for eighteen months from the date of Allotment as Promoter's Contribution are set forth in the table below.

Name of the Promoter	**Date of allotment of the Equity Shares**	**Nature of transaction**	**No. of Equity Shares****	**Face value (₹)**	**Issue/ acquisition price per Equity Share (₹)**	**No. of Equity Shares locked-in***	**Percentage of the post-Offer paid up capital (%)**	**Date up to which the Equity Shares are subject to lock-in**
[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

** Subject to finalisation of Basis of Allotment.*

*** All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.*

c) Our Promoters have given their consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoter's Contribution. Our Promoter has agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoter's Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry 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.

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

i. The Equity Shares offered for Promoter's Contribution do not comprise Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of Equity Shares against Equity Shares, which are otherwise ineligible for computation of Promoter's Contribution;

ii. The Promoter's Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

iii. Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm; and

iv. The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge.

15. Details of Equity Shares locked- in for six months

In addition to the Promoter's Contribution which will be locked in for 18 months, as specified above, and Equity Shares successfully transferred by the Selling Shareholders as part of the Offer for Sale (which will not be subject to lock-in), the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of six months from the date of Allotment, including any unsubscribed portion of the Offer for Sale, in accordance with Regulations 16(b) and 17 of the SEBI ICDR Regulations.

16. Lock-in of Equity Shares Allotted to Anchor Investors

Any Equity Shares Allotted to the Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

17. Recording on non-transferability of Equity Shares locked-in

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

18. Other requirements in respect of lock-in

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

(a) With respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

(b) With respect to the Equity Shares locked-in as Promoter's Contribution for eighteen months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the Takeover Regulations.

Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Offer and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in with the transferee and compliance with the provisions of the Takeover Regulations.

19. Employee Stock Option Scheme

Our Company has formulated an employee stock option scheme namely the Employee Stock Option Scheme 2018 (the "**ESOP Scheme**") pursuant to a resolution passed by the Shareholders on December 22, 2017 and was amended pursuant to a resolution passed by the Shareholders on November 22, 2021, with a maximum options pool of 990,000 options.

The maximum number of Equity Shares that may be issued pursuant to the exercise of options granted to participants under the ESOP Scheme shall not exceed 9,90,000 (subject to adjustments for corporate actions such as bonus issue or subdivision of equity shares). Upon exercise and payment of the exercise price, the option holder will be entitled to be allotted one Equity Share per employee stock option. The ESOP Scheme has been framed in compliance with the SEBI SBEB Regulations.

The details of the ESOP Scheme as certified by Bhuwania & Agrawal Associates, Chartered Accountants through a certificate dated December 21, 2021 are as follows:

Particulars	From April 1, 2021 to September 30, 2021	Financial Year ended March 31, 2021	Financial Year ended March 31, 2020	Financial Year ended March 31, 2019
Total options granted	Nil#	Nil	310,000	990,000
Total options vested	Nil	Nil	310,000	495,000
Total options exercised	Nil	Nil	260,000	357,500
Exercise price of options in ₹	Nil	Nil	₹ 7/-	₹ 7/-
Total number of Equity Shares arising as a result of exercise of options	Nil	Nil	260,000	357,500
Total options lapsed	Nil	Nil	185,000	Nil
Total options transferred in pool	Nil	Nil	50,000	137,500
Variation of terms of options as per scheme	Refer Note 1	Nil	Nil	Nil
Total money realized by exercise of options	Nil	Nil	₹ 1,820,000	₹ 2,502,500
Total number of outstanding options in force	187,500	187,500	187,500	632,500
Employee wise details of options granted to:				
(i) Key Managerial Personnel				
Surabhi Dubey – (Ex- Company Secretary)	Nil	Nil	Nil	Option Granted: 10,000 of which 5,000 exercised in 1st tranche.
(ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during that year				

Particulars	From April 1, 2021 to September 30, 2021	Financial Year ended March 31, 2021	Financial Year ended March 31, 2020	Financial Year ended March 31, 2019
a. Amit Kataria	Nil	Nil	Option Granted: 75,000 of which 37,500 exercised in 2nd tranche	Option Granted: 75,000 of which 37,500 exercised in 1st tranche
b. Arun Om Lal	Nil	Nil	Option Granted: 75,000 of which 37,500 exercised in 2nd tranche	Option Granted: 75 000 of which 37,500 exercised in 1st tranche
(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	Nil	Nil	Nil	Nil
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with IND AS 33 'Earnings Per Share'	N.A.	N.A.	0.0294	0.0219
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of the Company and on the earnings per share of the Company	N.A.	N.A.	₹ 2,808,000	₹ 1,565,850
Description of the pricing formula and method and significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option	N.A.	N.A.	The Company had used the Fair Value of Shares under Discounted Cash Flow Method (DCF). The Profit Impacted on Account of difference in the Valuation i.e ₹ 17.80 Per Shares Less ₹ 7 per share	The Company had used the Fair Value of Shares under Discounted Cash Flow Method (DCF). The Profit Impacted on Account of difference in the Valuation i.e ₹ 11.38 Per Shares Less ₹ 7 per share
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and	N.A.	N.A.	0.0294	0.0186

Particulars	From April 1, 2021 to September 30, 2021	Financial Year ended March 31, 2021	Financial Year ended March 31, 2020	Financial Year ended March 31, 2019
Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 had been followed, in respect of options granted in the last three years				
Intention of key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their Equity Shares within three months after the listing of Equity Shares pursuant to the Offer	N.A.	N.A.	N.A.	N.A.
Intention to sell Equity Shares arising out of or allotted under the ESOP 2018 within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the ESOP 2018, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	N.A.	N.A.	N.A.	N.A.

Note
1,25,000 option granted to certain employees of the Company vide grant letter dated 01st October 2021, as approved by the Board in the meeting dated 03rd September 2021.

1. On 29 September 2021 as per the special resolution passed by shareholders of the Company, the vesting schedule of ESOS 2018 was amended.

20. Our Company, our Directors and the BRLMs have no existing buyback arrangements and or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.

21. There are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

22. Except as disclosed in "*Our Management*" on page 193, none of our Directors or KMPs hold any Equity Shares in our Company.

23. As on the date of this Draft Red Herring Prospectus, the BRLMs and their respective associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 do not hold any Equity Shares of our Company. The BRLMs and their affiliates may engage in the 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.

24. Except for the conversion of the outstanding CCPS, the allotment of Equity Shares upon any exercise of options vested pursuant to the ESOP Scheme and/or the Fresh Issue, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of the Draft Red Herring Prospectus with SEBI until the Equity Shares are listed on the Stock Exchanges.

25. Save and except for Arun Purushottam Kelkar, Subhash Purushottam Kelkar, Nutan Subhash Kelkar and Anuradha Arun Kelkar, who are offering their Equity Shares in the Offer for Sale, none of our other Promoters or the members of our Promoter Group will participate in the Offer.

26. Our Company will ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

27. No person connected with the Offer shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or otherwise, to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

OBJECTS OF THE OFFER

The Offer comprises of a Fresh Issue of [●] Equity Shares, aggregating up to ₹1,000.00 million by our Company and an Offer for Sale of up to 30,113,918 Equity Shares, aggregating up to ₹ [●] million by the Selling Shareholders. For details, please refer to the section entitled "*The Offer*" on page 57.

The Offer for Sale

The object of the Offer for Sale is to allow the Selling Shareholders to sell up to 30,113,918 Equity Shares held by them aggregating up to ₹ [●] million.

Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds. The Selling Shareholders will be entitled to their respective portion of the proceeds of the Offer for Sale. Except for (i) listing fees and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue which shall be borne solely by the Company and (ii) the stamp duty payable on transfer of Offered Shares which shall be borne solely by the respective Selling Shareholder, all cost, fees and expenses in respect of the Offer will be shared amongst our Company and Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Offered Shares sold by the Selling Shareholders in the Offer for Sale.

Fresh Issue

The net proceeds of the Fresh Issue, i.e. gross proceeds of the Fresh Issue less the offer expenses apportioned to our Company ("**Net Proceeds**") are proposed to be utilised for the following objects:

1. Repayment and/or pre-payment, in full and/or part, of certain borrowings of our Company and two of our Subsidiaries viz. HNEPL and HNIPL
2. Funding the incremental working capital requirements of our Company
3. Funding capital expenditure requirements towards expanding our existing facility at Nashik
4. Investment in our Subsidiary, HNIPL for financing capital expenditure requirements at our existing facility at Thoothukudi; and
5. General corporate purposes.

(Collectively, referred to herein as the "**Objects**").

In addition, we expect to achieve the benefit of listing of our Equity Shares on the Stock Exchanges.

The main objects and the objects incidental and ancillary to the main objects of our Memorandum of Association enable our Company (i) to undertake our existing business activities; and (ii)to undertake the activities for which the funds are being raised in the Fresh Issue. Further, the main objects and the objects incidental and ancillary to the main objects of the Memorandum of Association of each of HNEPL and HNIPL enable them (i) to undertake their respective existing business activities; and (ii) to undertake the activities for which the funds are being raised in the Fresh Issue.

Net Proceeds

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

Particulars	Amount (in ₹ million)
Gross proceeds from the Fresh Issue	1,000.00*
Less: Offer Expenses (only those apportioned to our Company)**	[●]
Net Proceeds***	[●]

**Subject to full subscription of the Fresh Issue component*
**See "Objects of the Offer - Offer Related Expenses" on page 103.*
****To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

Utilisation of Net Proceeds

The Net Proceeds are proposed to be utilised in accordance with the details provided in the following table:

Particulars	**Amount (₹ in million)**
Repayment and/or pre-payment, in full and/or part, of certain borrowings of our Company and our Subsidiaries, HNEPL and HNIPL	335.00
Funding incremental working capital requirements of our Company	150.00
Funding capital expenditure requirements towards expanding our existing facility at Nashik	191.73
Investment in our Subsidiary, HNIPL for financing capital expenditure requirements at our existing facility at Thoothukudi	71.47
General corporate purposes(1)	[●]
Total Net Proceeds	[●]

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

Proposed schedule of Implementation and Utilisation of Net Proceeds

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

(₹ in million)

S. No.	**Particulars**	**Amount to be funded from Net Proceeds**	**Amount to be deployed from the Net Proceeds in Fiscal 2023**
1.	Repayment and/or pre-payment, in full and/or part, of certain borrowings of our Company and our Subsidiaries, HNEPL and HNIPL	335.00	335.00
2.	Funding incremental working capital requirements of our Company	150.00	150.00
3.	Funding capital expenditure requirements towards expanding our existing facility at Nashik	191.73	191.73
4.	Investment in our Subsidiary, HNIPL for financing capital expenditure requirements at our existing facility at Thoothukudi	71.47	71.47
5.	General corporate purposes*	[●]	[●]
	Total Net Proceeds	**[●]**	**[●]**

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

Our fund requirements and deployment of the Net Proceeds are based on our internal management estimates as per our business plan based on current circumstances of our business prevailing market conditions, and valid quotations received from third-party vendors, which are subject to change. Further, such fund requirements and deployment of funds have not been appraised by any bank or financial institution or any other independent agency. We may need to revise our estimates from time to time in light of various factors such as changes in costs, our financial condition, business and strategy or external circumstances such as market conditions, the economic conditions, changing regulatory policies, prevailing competitive environment, interest or exchange rate fluctuations, which may not be in our control. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from our planned allocation at the discretion of our management, subject to compliance with applicable laws. In the event that the estimated utilization out of the Net Proceeds in a Fiscal is not met (in part or full), such unutilised amount shall be utilised in the succeeding Fiscal(s), as determined by our Company, in accordance with applicable law. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management, subject to compliance with applicable law.

In case we require additional capital towards meeting the objects of the Fresh Issue, our Company may explore arrange of options including utilising internal accruals and availing additional debt from existing and/or future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. If the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for funding future growth opportunities, and/or towards funding any of the other existing objects (if required), and/or general corporate purposes within the permissible limit in accordance with applicable law.

Means of finance

The fund requirements for all objects are proposed to be entirely out of the Net Proceeds and our internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and through existing identifiable internal accruals as required under Regulation 7(1)(e) the SEBI ICDR Regulations.

Details of the Objects

1. Repayment and/or pre-payment, in full and/or part, of certain borrowings of our Company and our Subsidiaries, HNEPL and HNIPL

Our Company and our Subsidiaries, HNEPL and HNIPL have in the ordinary course of business entered into various financing arrangements with banks and financial institutions, which include term loans and working capital facilities, including fund based and non-fund based borrowings. As of November 30, 2021, the total outstanding consolidated borrowing of our Company is ₹398.53 million. For further details, see "*Financial Indebtedness*" on page 308. Our Company and our Subsidiaries, HNEPL and HNIPL propose to utilise an amount of ₹335 million from the Net Proceeds towards part or full repayment and/or pre-payment of certain borrowings availed by our Company and our Subsidiaries, HNEPL and HNIPL.

Our Subsidiaries, HNEPL and HNIPL each pursuant to its board meetings dated December 8, 2021, have approved the reduction of the aggregate outstanding borrowings. Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary from time to time and our Company and our Subsidiaries, HNEPL and HNIPL may, in accordance with the relevant repayment schedule, levy of any prepayment penalties and the quantum thereof, repay or refinance some of their existing borrowings or avail of additional credit facilities. In light of the above, at the time of filing the Red Herring Prospectus, the table below shall be suitably updated to reflect the revised amounts or loans as the case may be which have been availed by us. The selection of borrowings proposed to be prepaid, repaid (earlier or scheduled) out of the borrowings provided above, shall be based on various factors including (i) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (ii) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our respective lenders, (iii) terms and conditions of such consents and waivers, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any law, rules, regulations governing such borrowings, and (vi) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan.

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

The following table provides the details of some of the outstanding borrowings availed of by our Company and our Subsidiaries, HNEPL and HNIPL, which are proposed to be repaid or prepaid, in full or in part, from the Net Proceeds:

S. No.	Name of the borrower	Name of the lender	Nature of borrowing	Amount of sanctioned (in ₹ million)	Principal amount outstanding as at November 30, 2021 (in ₹ million)	Interest Rate % of borrowings taken as on November 30, 2021	Pre-payment penalty/fees	Purpose*	Tenor
1.	Hexagon Nutrition Limited	Citibank N.A.	FCNR Loan	170.00	78.08	2.75#	2% of the principal outstanding	Towards working capital	360 days
					44.67	2.50#			120 days
					44.42	2.50#			120 days
2.	Hexagon Nutrition Limited	HDFC Bank Limited	Term Loan	87.50	34.33	7.60 (MCLR+0.35)	2.50%	Purchase of Property	76 monthly instalments
3.	Hexagon Nutrition (Exports) Private Limited	Citibank N.A.	FCNR	100.00	51.79	2.50#	NIL	Towards working capital	120 days
4.	Hexagon Nutrition (Exports) Private Limited	Citibank N.A.	Packing Credit-Pre Shipment loan		40.71	7.50	NIL	Towards working capital	180 days
5.	Hexagon Nutrition (Exports) Private Limited	HDFC Bank Limited	Term Loan	67.50	25.63	7.80 (MCLR+0.55)	Nil	Purchase of Property	73 monthly instalments
6.	Hexagon Nutrition (International) Private Limited	Citibank N.A.	FCNR Loan	50.00	33.40	2.50#	NIL	Towards working capital	120 days
7.	Hexagon Nutrition (International) Private Limited	Indian Bank	Term Loan	40.00	12.87	9.75 (MCLR 1Y+2.5)	NIL	Purchase of Property	78 monthly instalments
8.	Hexagon Nutrition (International) Private Limited	Indian Bank	Packing Credit-Pre Shipment loan	50.00	6.05	2.10 (Libor+1.90)	NIL	Towards working capital	180 days
					12.36	2.05 (Libor+1.90)			
					4.79	2.12 (Libor+1.90)			
9.	Hexagon Nutrition (International) Private Limited	Indian Bank	Term Loan	7.30	7.14	7.50 (Repo+3.5)	NIL	Towards working capital	36 monthly instalments
Total				**572.30**	**396.24**				

#It does not include forward hedge premium to cater to foreign exchange fluctuation.

** In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, the Company has obtained a certificate dated December 21, 2021 from the Statutory Auditor certifying that the borrowings have been utilised towards the purposes for which such borrowings were availed.*

In case we are unable to raise the Offer Proceeds till the due date for repayment of any of the above-mentioned portion of the loans, the funds earmarked for such repayment may be utilised for payment of future instalments of the above-mentioned loan or other loan for an amount not more than the amount mentioned above.

To the extent our Company deploys the Net Proceeds in our Subsidiaries, HNEPL and HNIPL, for the purpose of prepayment or repayment of all or a portion of the abovementioned borrowings, it shall be in the form of equity or debt or in any other manner as may be mutually decided. The actual mode of such deployment shall be finalized and updated before filing of Red Herring Prospectus.

2. **Funding incremental working capital requirements of our Company**

We fund our working capital requirements in the ordinary course of business from our internal accruals and financing from various banks and financial institutions. As on September 30, 2021, our Company (on consolidated basis) has total sanctioned limit of working capital facilities of ₹ 520.00 million, including fund-based and non-fund-based limits. The aggregate amounts sanctioned under the fund based working capital facilities of our Company (on consolidated basis) as on September 30, 2021 are ₹244.33 million.

Our Company proposes to utilize ₹ 150 million of the Net Proceeds in Fiscal 2023 towards our long-term working capital requirements. The balance portion of our long-term working capital requirement will be arranged from internal accruals and/or borrowings from banks and financial institutions.

Our Company requires additional working capital for executing its future orders that may be received, for funding future growth requirements of our Company and for other strategic, business and corporate purposes.

Basis of estimation of incremental working capital requirement

The details of our Company's working capital as at September 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019 derived from the audited standalone financial statements of our Company and source of funding of the same are provided in the table below:

(₹ in million)

Sr. No	Particulars	Notes	Amount as on September 30, 2021	Amount as on March 31, 2021	Amount as on March 31, 2020	Amount as on March 31, 2019
1	**Current Assets**					
A	Trade Receivables		154.99	134.48	132.80	221.66
B	Inventories		230.29	187.10	169.35	154.61
C	Other financial and current assets		286.70	247.48	281.05	219.92
	Total current assets	(A)	**671.98**	**569.05**	**583.20**	**596.19**
2	**Current Liabilities**					
A	Trade Payables		133.60	119.67	142.34	180.64
B	Other financial and current liabilities		172.45	150.96	148.06	153.49
	Total current liabilities	(B)	306.05	270.64	290.40	334.13
3	**Net working capital requirements**	(C)=(A)-(B)	365.93	298.42	292.80	262.05
4	**Existing funding pattern**					
	Borrowings from banks, financial institutions and non-banking financial		80.70	79.30	74.13	85.75

Sr. No	Particulars	Notes	Amount as on September 30, 2021	Amount as on March 31, 2021	Amount as on March 31, 2020	Amount as on March 31, 2019
	companies (including bill discounting)					
	Internal accruals / Equity		285.23	219.11	218.67	176.30
	Total		**365.93**	**298.42**	**292.80**	**262.05**

Note: Pursuant to the certificate dated December 21, 2021, issued by the Statutory Auditors

On the basis of our existing working capital requirements and the projected working capital requirements, our Board, pursuant to their resolution dated December 7, 2021, has approved the working capital requirements of our Company, details of which are provided below:

(₹ in million)

Sr. No	Particulars	Estimated	
		Amount as on March 31, 2022	**Amount as on March 31, 2023**
1	**Current Assets**		
A	Trade Receivables	227.35	307.95
B	Inventories	293.36	397.36
C	Other financial and current assets	366.00	415.00
	Total current assets (A)	**886.71**	**1,120.31**
2	**Current Liabilities**		
A	Trade Payables	148.51	201.16
B	Other financial and current liabilities	384.00	180.00
	Total current liabilities (B)	**532.51**	**381.16**
3	**Net working capital requirements (C)= (A)-(B)**	**354.20**	**739.15**
4	**Source of finance**		
	Proceeds from the Fresh Issue	-	150.00
	Borrowings from banks, financial institutions and non-banking financial companies (including bill discounting)	250.00	-
	Internal accruals / Equity	104.20	589.15
	Total source of finance	**354.20**	**739.15**

Note: Pursuant to the certificate dated December 21, 2021, issued by the Statutory Auditors

Our Company proposes to utilize ₹ 150 million from the Net Proceeds towards funding the long-term working capital requirements of the Company.

Assumptions for working capital requirements

Holding levels and justifications for holding period levels on the basis of audited standalone financial statements of our Company is as under.

Sr. No.	Particulars	Number of days for the period/Fiscal ended					
		March 31, 2019	March 31, 2020	March 31, 2021	September 30, 2021	March 31, 2022	March 31, 2023
1	Inventories	48	63	79	75	80	80
2	Trade Receivables	69	49	56	51	62	62
3	Trade Payables	122	105	92	81	90	90

Note: Pursuant to the certificate dated December 21, 2021, issued by the Statutory Auditors

Key assumptions for working capital projections made by our Company:

S. No.	Particulars	Assumptions
1.	Inventories	Inventory levels tend to be dependent upon delivery schedules and over the last three Fiscals have ranged between 48-79 days. We believe that the levels of inventories in Fiscal 2022 were elevated on account of anticipated increased business in B2C segment. In light of the same, we have assumed inventories of 80 days for Fiscal 2023
2.	Trade Receivables	Historically, the holding levels of trade receivables have ranged from 49-69 days. We believe that the levels of trade receivables in Fiscal 2022 were elevated on account of anticipated increased business in all segments. In light of the same, we have assumed receivables of 62 days for Fiscal 2023
3.	Trade Payables	We have larger cycle of trade payables and we aim to be efficient in terms of vendor pay terms and effective usage of all line of credits available to us. However, going forward we expect a significant reduction and rationalization in the trade payable days outstanding and it is expected to be around 90 days. This is expected to enable our Company to get better terms from our vendors.
4.	Other financial and current assets	Other current assets include capital advances to vendors, balance with revenue authorities including receivables, insurance claim receivables and prepaid expenses. Our Company is expecting a growth in such current assets due to expected growth in our business.
5.	Other financial and current liabilities	Our Company's other current liabilities and provisions include salary and wages payable, statutory dues, advances from customer and other expenses payable. Our Company is expecting an increase in these current liabilities and provisions due to the expected growth in our business.

Note: Pursuant to the certificate dated December 21, 2021, issued by the Statutory Auditors

3. Funding capital expenditure requirements towards expanding our existing facility at Nashik

As on date of this Draft Red Herring Prospectus, we manufacture premix and branded nutrition / clinical nutrition products, RUTF and MNP at our existing facility at Nashik. Currently, we outsource our spray dryer requirement for premix formulations to third parties. Further, we expect increase in demand of our clinicalnutritional products.

Therefore, we intend to (a) install spray dryers for premix formulations in order to increase our process efficiency, (b) set up an additional packaging line for our clinical nutrition products and (c) set up a warehouse to increase our storage capacity for ourfinished products. For further details on our strategy on the proposed expansion, see "*Our Business – Our Key Strategies*" on page 157.

Our Board in its meeting dated December 7, 2021 took note that an amount of ₹ 191.73 million is proposed to be funded for capital expenditure requirements towards expanding our existing facility at Nashik from the Net Proceeds. The break-down of such estimated costs are set forth below:

Sr. No.	Particulars	Estimated Cost (₹ in million)
1.	Construction of warehouse	67.33

Sr. No.	Particulars	Estimated Cost (₹ in million)
2.	Factory Equipment	83.31
3.	Plant and machinery	25.54
4.	Laboratory Equipment	14.58
5.	Electrical fittings	0.97
Total		**191.73**

The detailed break-up of the cost is as under:

Construction of warehouse: The total estimated cost for construction of warehouse for the proposed expansion is ₹ 67.33 million. We intend to construct warehouse at our existing premises. The breakdown of such estimated costs along with details of the quotations we have received are set forth below:

Description	Cost per unit (in ₹ million)	Quantity	Amount (₹ in million)	Name of the vendor	Date of quotation	Validity
PROV and constructing warehouse building (for 900 sq mtr)	18.59	3.00	55.76	S. S. Constructions	October 27, 2021	6 months
Floor hacking work (676 sq mtr) Flooring (70 cum) Vacuum dewatering flooring (676 sq mtr)	0.84	1.00	0.84	Kattidam Constructions	October 25, 2021	6 months
Civil work offer for proposed construction of warehouse of 450 sq mtr, PEB structure with necessary foundation footing, column, beam as per the structural consultant design (excluding PRB structure,wall gladding rain water cutter)	5.58	1.00	5.58	Everest Builders	October 28, 2021	6 months
Design, supply, fabrication, transportation and erection of primary structural members and secondary members	5.15	1.00	5.15	Sachin Hitech Industries Pvt Ltd	October 23, 2021	6 months
Total			**67.33**			

Factory Equipment: Factory Equipment for the proposed expansion includes costs towards, among weighing scale, fire alarm system, fire extinguisher, fire hydrant systems etc. The total estimated cost for electrical work for the proposed expansion is ₹ 83.31 million. The breakdown of such estimated costs along with details of the quotations we have received are set forth below:

Description	Cost per unit (in ₹ million)	Quantity	Amount (₹ in million)	Name of the vendor	Date of quotation	Validity
Ele Weighing scale- 0 to 100 kg	0.03	2.00	0.07	Sansui Scales & Services	October 25, 2021	6 months
Ele Weighing scale- 0 to 600 gram	0.01	2.00	0.02	Sansui Scales & Services	October 25, 2021	6 months
Ele Weighing scale- 0 to 6 kg	0.01	2.00	0.03	Sansui Scales &	October 25, 2021	6 mont

Description	Cost per unit (in ₹ million)	Quantity	Amount (₹ in million)	Name of the vendor	Date of quotation	Validity
				Services		hs
Conventional fire alarm system	0.10	1.00	0.10	Delta Leonis Building Solutions	October 25, 2021	6 months
Supply of new ABC 6 kg type fire extinguisher with ISI Mark	0.00	50.00	0.13	Delta Leonis Building Solutions	October 25, 2021	6 months
Supply installation,testing and commissioning fire hydrant systems	7.66	1.00	7.66	Ponmani Enterprises	October 25, 2021	6 Months
Super structure and under structure racks for MPR	67.38	1.00	67.38	Globetech Industrial Solutions	November 3, 2021	6 Months
Air handling unit (AHU) with belt driven backward curve fan-AHU with condensing unit, copper piping, cables, communication cable, PVC drain pipes, first charges gas, duct and insulation	3.96	2.00	7.92	Chennai Aircontrol Private Limited	December 21, 2021	-
Total			**83.31**			

Plant and machinery: Plant and machinery costs for the proposed expansion includes costs towards purchase of blenders, drinking water RO plant, air handling units, Thermic fluid heater etc. The total estimated cost for plant and machinery for the proposed expansion is ₹ 25.54 million. The breakdown of such estimated costs along with details of the quotations we have received are set forth below:

Description	Cost per unit (in ₹ million)	Quantity	Amount (₹ in million)	Name of the vendor	Date of quotation	Validity
Ribbon Blender -500 kg	1.68	2.00	3.35	Tech Biber Machinery Pvt Ltd.	October 25, 2021	6 months
Material supply, erection and commissioning charges for 1000 LPH drinking water RO plant	0.38	1.00	0.38	Karam Enviro Care Systems	October 29, 2021	6 months
Air Handling Units + Dx coil+ Electrical Heater, DX condensing unit and ductable split units, ducting, insulation, terminal box with HEPA filter, removable core, extruded aluminium low leakage aerofoil design volume control dampers suitable for manual & motarised operation for filters and risers,AHU electrical panelwith VFD, Electrical Heaters bank, M.S. fabrication work, duct leak testing, documentation	17.06	1.00	17.06	Lucky Deep Air Cleanroom Pvt Ltd	October 24, 2021	6 months
Thermic fluid heater including	1.19	4.00	4.75	JP Energy Systems	December	1

Description	Cost per unit (in ₹ million)	Quantity	Amount (₹ in million)	Name of the vendor	Date of quotation	Validity
commissioning charges, chimney, chimney duct, pipe line, insulation and valves				India Pvt Ltd	21, 2021	months
Total			**25.54**			**-**

Laboratory Equipment: Laboratory Equipment for the proposed expansion includes PLC based cooling, incubator, PLC based laminar air flow, Perkin Elmer HPLC. The total estimated cost for laboratory equipment for the proposed expansion is ₹ 14.58 million. The breakdown of such estimated costs along with details of the quotations we have received are set forth below:

Description	Cost per unit (in ₹ million)	Quantity	Amount (₹ in million)	Name of the vendor	Date of quotation	Validity
PLC based cooling (BOD) incubator, PLC based laminar air flow, PLC based bio safety cabinet class II A2, DATALINX, additional validation for 8 hrs for one condition per day per equipment, static pass box, dynamic pass through box, packing & fright charge and installation/qualification IQ/OQ	1.43	1.00	1.43	Analytic Services	October 26, 2021	6 months
Perkin elmer AVIO 220 ICP OES, S23 three rack auto sampler dual rinse, 60 position rack 5x12/17mm tube OD, ext warranty S23 3 rack AS dual rinse and S 23/25 SER autosamp ACC IQoQ A4 eng	6.20	1.00	6.20	Analytic Services	October 26, 2021	6 Months
Perkin Elmer HPLC	6.95	1.00	6.95	Analytic Services	October 26, 2021	6 Months
Total			**14.58**			

Electrical fittings: The total estimated cost for electrical fittings work for the proposed expansion is ₹ 0.97 million. The breakdown of such estimated costs along with details of the quotations we have received are set forth below:

Description	Cost per unit (in ₹ million)	Quantity	Amount (₹ in million)	Name of the vendor	Date of quotation	Validity
Clean room light	0.97	1.00	0.97	Venture Lighting India Limited	December 3, 2021	6 mon

Description	Cost per unit (in ₹ million)	Quantity	Amount (₹ in million)	Name of the vendor	Date of quotation	Validity
						ths
Total			**0.97**			

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment or provide the service at the same costs. If there is any increase in the costs of equipment, the additional costs shall be paid by our Company from its internal accruals. The quantity of equipment to be purchased is based on the present estimates of our management. Our Company shall have the flexibility to deploy such equipment according to the business requirements of such facilities and based on the estimates of our management. The actual mode of deployment has not been finalised as on the date of this Draft Red Herring Prospectus. For further details, see "*Risk Factors – The object of the Fresh Issue for which funds are being raised have not been appraised by any bank or financial institution and are based on management estimates.*" on page 46.

None of the orders for purchase of the machinery / equipment, as provided above, have been placed as on the date of this Draft Red Herring Prospectus. Accordingly, orders worth ₹ 191.73 million, which constitutes 100% of the total estimated costs are yet to be placed. No second-hand or used machinery is proposed to be purchased out of the Net Proceeds. Our Promoters, Directors and Key Managerial Personnel do not have any interest in the proposed construction of building and civil works, acquisition of plant and machinery, utilities, or in the entities from whom we have obtained quotations in relation to such activities.

4. Investment in our Subsidiary, HNIPL for financing capital expenditure requirements at our existing facility at Thoothukudi

We through our Subsidiary, HNIPL currently manufacture dry powder premix formulations and RUTF products. We plan to set up a new packaging line for packing the dry power premix formulationin 1 gm and /or 8 gm sachets. The dry powder premix formulations in sachet form are referred to as MNP.

We propose to utilize ₹ 71.47 million from the Net Proceeds for investment into HNIPL for financing capital expenditure requirements towards expanding our existing facility at Thoothukudi. The investment by our Company in HNIPL is proposed to be undertaken in the form of equity or debt or a combination of both or in any other manner as may be mutually decided. The actual mode of such deployment has not been finalized as on the date of this Draft Red Herring Prospectus.

The break-down of such estimated costs are set forth below:

Sr. No.	Particulars	Estimated Cost (₹ in million)
1.	Plant and machinery	38.05
2.	Factory Equipment	18.74
3.	Laboratory Equipment	13.15
4.	Civil and construction work	1.53
Total		**71.47**

The detailed break-up of the cost is as under:

Plant and machinery: Plant and machinery costs for the proposed expansion includes costs towards purchase of design and supply of ribbon blender, multitrack duplex VFFS bagger etc. The total estimated cost for plant and machinery for the proposed expansion is ₹ 38.05 million. The breakdown of such estimated costs along with details of the quotations we have received are set forth below:

Description	Cost per unit (in ₹ million)	Quantity	Amount (₹ in million)	Name of the vendor	Date of quotation	Validity
Design and supply of ribbon blender 2500 kg with VFD	5.65	1	5.65	Tech Biber Machinery Pvt Ltd.	October 19, 2021	6 months
Multitrack duplex VFFS bagger for 1200mm reel width with 10 tracks+ 10 head servo driven auger filler + dedicated dust collector (2 sets) and down stream collation and bundling with racetrack and integrated inline cartonator with hot melt applicator (2 sets)	32.40	1	32.40	Star Pac India Ltd	October 27, 2021	6 months
Total			**38.05**			

Factory Equipment: Factory Equipment for the proposed expansion includes costs towards purchase of ducting, insulation, terminal box with hepa filter, SS blower, main pump, jockey pump, electrical panel for main pump etc. The total estimated cost for electrical work for the proposed expansion is ₹ 18.74 million. The breakdown of such estimated costs along with details of the quotations we have received are set forth below:

Description	Cost per unit (in ₹ million)	Quantity	Amount (₹ in million)	Name of the vendor	Date of quotation	Validity
Ducting, insulation, terminal box with hepa filter, extruded aluminium low leakage aerofoil design volume control dampers, fire dampers, magnehlic gauges-0-6 mm range for room, AHU electrical panel with VFD, electrical heaters bank, AHU duct, uct mounted temp &RH sensor and others	14.46	1	14.46	Lucky Deep Cleanroom Pvt. Ltd	October 24, 2021	6 months
6 feet air curtain with SS blower	0.03	2	0.05	Air Beam	October 26, 2021	6 months
Main pump, jockey pump, electrical panel for main pump, non return valves, butterfly valves, ball valves, Y type strainer, pressure gauge, pressure switch, cables, earth strips, cable tray, pump house piping, priming tank, air vessel, header piping, UG header piping, yard hydrants, hose reel drum set, fire brigade point, foot valve with strainer, hume pipe for UG piping and scoffolding	4.06	1	4.06	Ponmani Enterprises	October 25, 2021	6 months
Design and suppy of vibro sifter 36 inch	0.17	1	0.17	Tech Biber Machinery Pvt Ltd.	October 19, 2021	6 months
Total			**18.74**			

Laboratory Equipment: The total estimated cost for purchase of laboratory equipment for the proposed expansion is ₹ 13.15 million. The breakdown of such estimated costs along with details of the quotations we have received are set forth below:

Description	Cost per unit (in ₹ million)	Quantity	Amount (₹ in million)	Name of the vendor	Date of quotation	Validity
Perkin elmer HPLC	6.95	1	6.95	Analytic Services	October 26, 2021	6 months
Perkin Elmer AVIO 220 ICP OES	6.20	1	6.20	Analytic Services	October 26, 2021	6 months
Total			**13.15**			

Civil and construction work: The total estimated cost for civil and construction work for the proposed expansion is ₹ 1.53 million. The breakdown of such estimated costs along with details of the quotations we have received are set forth below:

Description	Cost per unit (in ₹ million)	Quantity	Amount (₹ in million)	Name of the vendor	Date of quotation	Validity
Construction of factor building PEB structure with necessary foundation footing, column, beam	1.53	1	1.53	Everest Builders	October 28, 2021	6 months
Total			**1.53**			

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. However, HNIPL has not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the equipment or provide the service at the same costs. If there is any increase in the costs of equipment, the additional costs shall be paid by HNIPL from its internal accruals. The quantity of equipment to be purchased is based on the present estimates of our management. HNIPL shall have the flexibility to deploy such equipment according to the business requirements of such facilities and based on the estimates of its management. The actual mode of deployment has not been finalised as on the date of this Draft Red Herring Prospectus. For further details, see "*Risk Factors – The object of the Fresh Issue for which funds are being raised have not been appraised by any bank or financial institution and are based on management estimates.*" on page 46.

None of the orders for purchase of the machinery / equipment, as provided above, have been placed as on the date of this Draft Red Herring Prospectus. Accordingly, 100.00% of the total estimated costs are yet to be placed. No second-hand or used machinery is proposed to be purchased out of the Net Proceeds. Each of the units mentioned above is proposed to be acquired in a ready-to-use condition.

Our Promoters, Directors and Key Managerial Personnel do not have any interest in the proposed construction of building and civil works, acquisition of plant and machinery, utilities, or in the entities from whom we have obtained quotations in relation to such activities.

5. **General Corporate Purposes**

The Net Proceeds will first be utilised for the objects as set out above. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds towards our general corporate purposes, as approved by our management, from time to time, subject to such utilisation for general corporate purposes not exceeding 25% of the Fresh Issue, in compliance with the SEBI ICDR Regulations.

Such general corporate purposes may include, but are not restricted to, the following:

a. funding growth opportunities;
b. servicing our repayment obligations (principal and interest) under our future financing arrangements;
c. capital expenditure, including towards development/refurbishment/upgradation of our assets;
d. meeting other expenses including salaries and other expenses in the ordinary course of business;
e. meeting ongoing general corporate purposes or contingencies;
f. strategic initiatives; and/or
g. marketing of B2C business.

The allocation or quantum of utilisation of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our management, in accordance with the policies of the Board, shall have the flexibility in utilising surplus amounts, if any.

Offer Related Expenses

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

Except for (i) listing fees and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue which shall be borne solely by the Company and (ii) the stamp duty payable on transfer of Offered Shares which shall be borne solely by the respective Selling Shareholder, all Offer expenses will be shared, between our Company and Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Offered Shares sold by the Selling Shareholders in the Offer for Sale, respectively. Except the listing fees and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue which shall be borne solely by the Company, any expenses paid by our Company on behalf of the Selling Shareholders in the first instance will be reimbursed to our Company, by the Selling Shareholders to the extent of its respective proportion of Offer related expenses, directly from the Public Offer Account. The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

The estimated Offer expenses are as follows:

(₹ in million)

Activity	Estimated expenses*	As a% of the total estimated Offer expenses	As a% of the total Offer size
Fees payable to the BRLMs	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Brokerage and selling commission payable to SCSBs, Registered Brokers, RTAs and CDPs, as applicable(1)	[●]	[●]	[●]
Processing fees to the SCSBs and to the Sponsor Bank for ASBA Forms procured by Registered Brokers, RTAs or CDPs (2)	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]
Fees to regulators, including stock exchanges	[●]	[●]	[●]

Others a) Book building, listing fees and other regulatory expenses; b) Fees payable to legal counsel; and c) Miscellaneous.	[●]	[●]	[●]
Total estimated Offer expenses	**[●]**	**[●]**	**[●]**

** Offer expenses include goods and services tax, where applicable. Offer expenses will be incorporated at the time of filing of the Prospectus. Offer expenses are estimates and are subject to change.*

i. Selling commission payable to members of the Syndicate, SCSBs, RTAs and CDPs on the amounts received against the Equity Shares Allotted (i.e. product of the Equity Shares Allotted and the Offer Price) would be as follows:

Portion for Retail Individual Investors	*[●]% (plus applicable goods and services tax)*
Portion for Non-Institutional Investors	*[●]% (plus applicable goods and services tax)*

Further, bidding charges of ₹ [●] (plus applicable goods and services tax) shall be per valid ASBA Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Retail Individual Investors using the UPI Mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. No additional bidding charges shall be payable to SCSBs on the Bid cum Application Forms directly procured by them. Selling commission payable to the Registered Brokers on the portion for Retail Individual Investors and Non-Institutional Investors, which are directly procured by the Registered Brokers and submitted to SCSB for processing, shall be ₹ [●] per valid Bid cum Application Form (plus applicable goods and services tax).

ii. Processing fees payable to the SCSBs for Bid cum Application Forms which are procured by the Registered Brokers/RTAs/CDPs and submitted to the SCSB for blocking shall be ₹ [●] per valid Bid cum Application Form (plus applicable taxes).

Processing fees for applications made by Retail Individual Investors using the UPI Mechanism would be as follows:

RTAs/ CDPs/ Registered Brokers	*₹ [●] per valid Bid cum Application Form (plus applicable taxes)*
Sponsor Bank	*₹ [●] per valid Bid cum Application Form (plus applicable taxes)The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws.*

** Based on valid Bid cum Application Forms*

Interim Use of Funds

Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only with scheduled commercial banks included in the second schedule to the Reserve Bank of India Act, 1934. 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 shares of any other listed company or for any investment in the equity markets.

Bridge Loan

Our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds.

Monitoring of Utilisation of Funds

In accordance with Regulation 41 of the SEBI ICDR Regulations, our Company will appoint a monitoring agency for monitoring the utilisation of Net Proceeds prior to filing of the Red Herring Prospectus with the RoC, if the proposed Fresh Issue exceeds ₹ 1,000.00 million.

Our Company will disclose the utilisation of the Net Proceeds, including interim use, under a separate head in our balance sheet for such financial years as required under applicable law, specifying the purposes for which the Net Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable financial years, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any.

Pursuant to the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. The Audit Committee will make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement indicating (a) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the Objects; and (b) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the Objects. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee. Further, our Company will also submit to the stock exchange(s) any comments or report received from the monitoring agency within forty-five days from the end of each quarter and the monitoring report of such agency shall be placed before the audit committee on an annual basis.

Variation in Objects of the Offer

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Offer unless our Company is authorised to do so by way of a special resolution of its Shareholders through a postal ballot and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. 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. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal to vary the objects, at a price and in such manner as may be prescribed in Regulation 59 and Schedule XX of the SEBI ICDR Regulations and other applicable law.

Appraising Entity

None of the above objects of the Offer have been appraised by any bank or financial institution.

Other Confirmations

No part of the Net Proceeds will be paid to our Promoters, members of the Promoter Group, Directors, or our Key Managerial Personnel, except in the ordinary course of business and in compliance with applicable law.

There are no existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors and/or Key Managerial Personnel. Our Company has not entered into nor has planned to enter into any arrangement/ agreements with our Directors, our Key Management Personnel, our Subsidiaries in relation to the utilisation of the Net Proceeds of the Offer.

BASIS FOR OFFER PRICE

The Price Band, Floor Price and Offer Price will be determined by our Company and Selling Shareholders in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 1 each and the Offer Price is [●] times the Floor Price and [●] times the Cap Price of the Price Band. The financial information included herein is derived from our Restated Consolidated Financial Statements. Investors should also see the sections entitled "*Our Business*", "*Risk Factors*" and "*Financial Information*" on pages 149, 29, and 223, respectively, to have an informed view before making an investment decision.

Qualitative Factors

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

- Pioneer in micronutrient premix formulations business in the South Asia and the market leader in customised premix formulations in India;
- We have leading brands in wellness and clinical nutrition
- Long standing relationships with marquee clients leading to recurring revenues and repeat orders
- Strong R&D capabilities with focus on innovation
- Extensive manufacturing capabilities of products with stringent quality and food safety procedures
- Well established pan India omnichannel distribution with presence across various geographies
- Professional turned entrepreneur promoters with experienced management team and backed by a reputed institutional investor; and
- Track record of growth in financial performance

For details, please see the section entitled "*Our Business – Our Key Strengths*" on page 149.

Quantitative Factors

Some of the information presented in this chapter is derived from the Restated Consolidated Financial Statements. For further information, please see the section entitled "*Financial Information*" on page 223.

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

1. Basic and Diluted Earnings per Share

Fiscal / period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2019	1.34	1.21	1
March 31, 2020	1.68	1.51	2
March 31, 2021	2.07	1.86	3
Weighted Average	1.82	1.64	
Six month period ended September 30, 2021*	1.38	1.24	

** Not Annualized*

Notes:

1. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/total of weights.*

2. *Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period*
3. *Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year/ period*
4. *Basic and diluted earnings per share are computed in accordance with Indian Accounting Standard 33 'Earnings per Share', notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended) and post conversion of CCPS*

2. Price/Earning ("P/E") Ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at Floor Price (no. of times)	P/E at Cap Price (no. of times)
Based on basic EPS for Financial Year 2021	[●]	[●]
Based on diluted EPS for Financial Year 2021	[●]	[●]

3. Industry Peer Group P/E ratio

Our Company is in the food and nutrition industry. We believe that none of the listed companies in India are exclusively engaged in the portfolio of business similar to ours. However, we have considered such companies who have food and nutrition as one of their business segments as our peers.

Particulars	P|E Ratio
Highest	99.26
Lowest	46.37
Industry Composite	73.53

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 "– Comparison of Accounting Ratios with Listed Industry Peers" on page 108

4. Return on Net Worth ("RoNW")

Fiscal/period ended	RoNW (%)	Weight
March 31, 2019	14.94	1
March 31, 2020	15.90	2
March 31, 2021	16.56	3
Weighted Average	16.07	
Six month period ended September 30, 2021*	9.94	-

** Not annualized*

Note:

1) *Return on Net Worth (%) = Net Profit after tax, as restated for the end of the year/ period divided by Net worth as at the end of the year/ period*
2) *"Net Worth" means the aggregate value of the paid-up share capital of our Company and all reserves created out of profits and securities premium account, as per the restated statement of assets and liabilities of our Company in the Restated Consolidated Financial Statements*
3) *The Weighted Average Return on Net Worth is a product of Return on Net Worth and respective assigned weight, dividing the resultant by total aggregate weight*

5. **Net Asset Value ("NAV") per Equity Share of face value of ₹1 each**

Net Asset Value per Equity Share	(₹)
As on September 30, 2021	12.47
As on March 31, 2021	11.24
After the Offer	
-At the Floor Price	[●]
-At the Cap Price	[●]
-At the Offer Price	[●]

Notes:

1) *Net Asset Value per Equity Share is calculated post conversion of CCPS. Offer Price per Equity Share will be determined on conclusion of the Book Building Process.*
2) *Net Asset Value per share = Net Worth at the end of the year/period divided by total number of equity shares outstanding at the end of year/ period*
3) *"Net Worth" means the aggregate value of the paid-up share capital of our Company and all reserves created out of profits and securities premium account, as per the restated statement of assets and liabilities of our Company in the Restated Consolidated Financial Statements*

6. Comparison with listed industry peers

Our Company is in the food and nutrition industry. We believe that none of the listed companies in India are exclusively engaged in the portfolio of business similar to ours. However, we have considered such companies who have food and nutrition as one of their business segments as our peers.

Name of the company	Consolidated/ Standalone	Face value (₹ per share)	Total Revenue (in ₹ million)	EPS (₹)		NAV (1) (₹ per share)	P/E (2)	RoNW (3) (%)
				Basic	Diluted			
Company#	Consolidated	1	2,154.35	2.07*	1.86*	11.24*	[●]	16.56
Zydus Wellness Limited	Consolidated	10	18,756.10	19.55	19.55	717.84	99.26	2.60
Nestle India Limited	Standalone^	10	1,34,958.80	215.98	215.98	209.44	87.89	103.12
Dabur India Limited	Consolidated	1	98,869.40	9.58	9.55	43.36	60.62	22.10
Britannia Industries Limited	Consolidated	1	134,490.10	77.43	77.4	147.29	46.37	52.54

Source: All the financial information for listed industry peer mentioned above is on a consolidated basis and is sourced from the annual audited reports of the listed peer for the year ended March 31, 2021, except for Nestle India Limited where the financial year ended on December 31, 2020.
^Nestle India Limited has no subsidiaries as of March 31, 2021. Hence consolidated financials are not applicable
#Source for our Company: Based on the Restated Consolidated Financial Statements for the year ended March 31, 2021.
** Basic and Diluted EPS and NAV is calculated post conversion of CCPS*

(1) For listed peers, Net Asset Value (NAV) is computed as equity attributable to owners (total equity) divided by the number of equity shares outstanding at the end of the year.
(2) For listed peers, P/E Ratio has been computed based on the closing market price of equity shares on the website of NSE as of December 13, 2021 divided by the Diluted EPS
(3) For listed peer, RONW is computed as net profit after tax (excluding profit attributable to non-controlling interest) divided by total equity

The Offer Price of ₹ [●] has been determined by our Company and Selling Shareholders, in consultation with the Book Running Lead Managers, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters. The trading price of the Equity Shares could decline due to the factors mentioned in the section entitled "*Risk Factors*" or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF POSSIBLE TAX BENEFITS

Date: 21 December 2021

To,

The Board of Directors,
Hexagon Nutrition Limited
404/A, Global Chambers,
Off. Link Road, Andheri (West),
Mumbai 400 053,
Maharashtra, India.

Equirus Capital Private Limited
12th Floor, C Wing, Marathon Futurex
N M Joshi Marg, Lower Parel
Mumbai - 400 013, Maharashtra, India

SBI Capital Markets Limited
202, Maker Tower E,
Cuffe Parade,
Mumbai - 400 005

(Equirus Capital Private Limited and SBI Capital Markets Limited are hereinafter individually referred to as the **Book Running Lead Manager** and collectively as the **Book Running Lead Managers**)

Re: Proposed initial public offering of equity shares of ₹ 1 each (Equity Shares) by Hexagon Nutrition Limited (Company) comprising a fresh issue of Equity Shares and an offer for sale of Equity Shares by certain existing selling shareholders (Offer)

Dear Sirs,

1. We, M/s **Bhuwania & Agrawal Associates**, the statutory auditor the Company, hereby report that This report is issued in accordance with the terms of our engagement letter dated 05th October, 2021.

2. We have been appointed to comment on the possible special tax benefits available to (i) the Company (ii) to the shareholders of the Company and (iii) material subsidiaries (hereinafter referred to as "the statement"), under applicable tax laws presently in force in India including the Income Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2021 (hereinafter referred to as the "Indian Income Tax Regulations"), the Integrated Goods and Services Tax Act, 2017 and the applicable states' Goods and Services Tax Act.

Management's Responsibility

3. The preparation of this Statement as of the date of our report which is to be included in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus is the responsibility of the management of the Company. The management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditor's Responsibility

4. Our work has been carried out in accordance with Standards on Auditing, the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India.

5. Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended **(the 'ICDR Regulations')** and the Companies Act 2013 ('Act'), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special tax benefits as of 19 December 2021 available to the Company, the shareholders and material subsidiaries of the Company, in accordance with the Indian Income Tax Regulations and the Income Tax regulations of the respective countries where material subsidiaries are located as at the date of our report.

6. It is imperative to note that we have relied upon a representation from the Management of the Company and confirmations received from the Tax Advisors of the respective overseas material subsidiaries of the Company with respect to the special tax benefits in their respective overseas jurisdictions.

List of material subsidiaries as identified by the Company in terms of the SEBI (Listing obligations and Disclosure Requirements) Regulation, 2015 on the date of signing of this report:

Sr No	Name of the Subsidiary	Country	Location
1	Hexagon Nutrition (Exports) Private Limited	India	SEZ Tamil Nadu
2	Hexagon Nutrition (International) Private Limited	India	SEZ Tamil Nadu

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

We hereby consent to the extracts of this certificate being used in the Draft Red Herring Prospectus (**DRHP**) to be filed with the Securities and Exchange Board of India (**SEBI**), the BSE Limited (**BSE**) and the National Stock Exchange of India Limited (**NSE** and together with the BSE, the **Stock Exchanges**) and the Red Herring Prospectus (**RHP**) and the Prospectus (**Prospectus** and together with DRHP and RHP, the **Offer Documents**), to be filed with the Registrar of Companies, Mumbai at Maharashtra (**ROC**) and submitted to the SEBI, and the Stock Exchanges with respect to the Offer, and in any other material used in connection with the Offer and on the website of the Company in connection with the Offer.

We undertake to update you of any change in the above-mentioned disclosures until the Equity Shares commence trading on the Stock Exchanges. In the absence of any such communication from us, the above information should be considered as an updated information until the Equity Shares commence trading on the Stock Exchanges, pursuant to the Offer.

This certificate is for information and for inclusion, in part or in full, in the Offer Documents or any other Offer-related material, and may be relied upon by the Company, the Book Running Lead Managers and the legal advisors to the Offer. We hereby consent to the submission and disclosure of this certificate as may be necessary to the SEBI, the ROC, the Stock Exchanges and any other regulatory or judicial authorities and, or, for any other litigation purposes and, or, for the records to be maintained by the Book Running Lead Managers, in accordance with applicable law.

All capitalized terms not defined herein bear the meaning ascribed to them in the Offer Documents.

Yours sincerely,
For BHUWANIA & AGRAWAL ASSOCIATES
(Chartered Accountants)
(Firm Registration no. 101483W)

N. K. Agrawal
(Partner)
Membership No. : 034659
UDIN : 21034659AAAAEX6110
Place : Mumbai

STATEMENT OF DIRECT TAX BENEFITS

STATEMENT OF SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, MATERIAL SUBSIDIARIES AND ITS SHAREHOLDERS

UNDER THE APPLICABLE LAWS IN INDIA – INCOME-TAX ACT, 1961

Outlined below are the special tax benefits available to Hexagon Nutrition Limited (the "Company") and its Shareholders under The Income Tax Act, 1961 (the "Act") as amended by the Finance Act, 2021 applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23, presently in force in India.

A. Special tax benefits available to the Company

a) Lower corporate tax rates on income of domestic companies - Section 115BAA of the Act

The Taxation Laws (Amendment) Act, 2019 introduced section 115BAA wherein domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfillment of certain conditions. The option to apply this tax rate is available from FY 2019-20 relevant to AY 2020-21 and the option once exercised shall apply to subsequent assessment years. The concessional rate of 22% is subject to the company not availing any of the following specified tax exemptions/incentives under the Act:

- Deduction u/s 10AA: Tax holiday available to units in a Special Economic Zone;
- Deductions available under the Chapter VI-A except under section 80JJAA and section 80M;
- Deduction u/s 32(1)(iia): Additional Depreciation;
- Deduction u/s 32AD: Investment allowance;
- Deduction u/s 35AD: Deduction for capital expenditure incurred on specified businesses;
- Deduction under certain sub-sections/clauses of Section 35: Expenditure on scientific research.

The total income of a company availing the concessional rate of 22% is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the concessional tax rate in its return of income filed under section 139(1) of the Act. Further, provisions of Minimum Alternate Tax ('MAT') under section 115JB of the Act shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed.

The provisions do not specify any limitation/condition on account of turnover, nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail this concessional rate of tax.

We understand that the company has not yet opted for the lower corporate tax, however we may analysis in future to opt for the concessional tax rate.

B. Special tax benefits available to the material subsidiaries.

a) Hexagon Nutrition (Exports) Private Limited

The company had opted U/s. 115BAA the reduced tax liability @ 22% (exclusive of SC and Cess) from F.Y 2020-21.

b) Hexagon Nutrition (International) Private Limited

The company had opted U/s. 10AA benefits for units established in SEZ which gives benefit from tax for 15 years as mentioned below

a. 100% of the export profit is eligible as deduction for the first 5 years i.e from FY 2014-2015 till FY 2018-2019.

b. 50% of the export profit is eligible as deduction for the next 5 years i.e from FY 2019-2020 till FY 2023-2024.

c. Amount not exceeding 50% of the export profit is eligible for deduction for the next 5 years i.e from FY 2024-2025 till FY 2028-2029. Provided SEZ Reinvestment Reserve Account is created with the purpose of Purchase of Plant and Machinery.

C. Special tax benefits available to the Shareholders of the Company

There are no special tax benefits available to the Shareholders of the Company for investing in the shares of the Company.

Notes:

1. This Annexure is as per the Income Tax Act, 1961 as amended by the Finance Act, 2021 read with relevant rules, circulars and notifications applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23, presently in force in India.

2. This Annexure covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

3. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax arising out of their participation in the Issue.

4. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant Double Tax Avoidance Agreement(s), if any, between India and the country in which the non-resident has fiscal domicile.

5. No assurance is provided that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

6. The tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

For and on behalf of Board of Directors of
Hexagon Nutrition Limited

Guman mal Jain
Chief Financial Officer
Place : Mumbai
Date : 20 December, 2021

STATEMENT OF INDIRECT TAX BENEFITS

STATEMENT OF SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, MATERIAL SUBSIDIARIES AND ITS SHAREHOLDERS

A. Special tax benefits available to Hexagon Nutrition Limited (formerly known as Hexagon Nutrition Private Limited) and its material subsidiaries under the Indirect Tax Regulations in India

Benefits under the Central Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant Rules prescribed thereunder)

1. Under the GST regime, all supplies of goods and services which qualify as export of goods or services are zero-rated supplies.

There are two mechanisms for claiming refund of accumulated ITC against export. Either person can export under Bond/ Letter of Undertaking (LUT) as zero-rated supply and claim refund of accumulated Input Tax Credit or person may export on payment of integrated Goods and Services Tax and claim refund thereof as per the provisions of Section 54 of Central Goods and Services Tax Act, 2017.

Thus, the GST law allows the flexibility to the exporter (which will include the supplier making supplies to SEZ) to claim refund upfront as integrated tax (by making supplies on payment of tax using ITC) or export without payment of tax by executing a Bond/LUT and claim refund of related ITC of taxes paid on inputs and input services used in making zero rated supplies.

2. Earlier we were enjoying MEIS scheme benefit on product specific Export. These scripts we were used for importing goods in DTA units or sale these script the market. However, this scheme has been discontinued by Govt. in Dec 2020 and new scheme is announced by Govt. of India in the name of RODTEP scheme which is Remission of Duties and Taxes on Export Products scheme.

B. Special tax benefits available to the material subsidiaries.

1. Two Material Subsidiary company namely Hexagon Nutrition (Exports) Private Limited and Hexagon (International) Private Limited are situated in SEZ therefore they are having advantage of Green channel import without payment of any import custom Duty.

2. They can sale their product outside the India via green channel so they do not require to pay any duty on exports. And they may avail export benefit as announced by Govt. of India time to time.

3. Material Subsidiaries being in the SEZ can purchases goods under the Goods and Services Tax (GST) at zero rated under the IGST Act, 2017.

4. A designated duty-free enclave to be treated as a territory outside the customs territory of India for the purpose of authorised operations in the SEZ. No routine examination by customs authorities of export/import cargo.

5. Earlier material subsidiaries were enjoying MEIS scheme benefit on product specific Export. These scripts were used for importing goods in DTA units or sale these script the market. However, this scheme has been discounted by Govt. in Dec 2020 and new scheme is announced by Govt. of India in the name of RODTEP scheme which is Remission of Duties and Taxes on Export Products scheme.

C. Possible special benefits for shareholders of Hexagon Nutrition Limited (formerly known as Hexagon Nutrition Private Limited)

Shareholders of the Company are not eligible to special tax benefits under the provisions of the Central Good and Services Act, 2017 (read with Central Goods and Services Tax Rules, circulars, notifications), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax Rules, circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications), Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications).

For and on behalf of Board of Directors of
Hexagon Nutrition Limited

Guman mal Jain
Chief Financial Officer
Place : Mumbai
Date : 20 December, 2021

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, the information in this section is obtained or extracted from the independent report titled "Strategic Market Assessment of nutrition and food fortification 2021-2026" dated December 2, 2021 prepared by GIRACT (the "**GIRACT Report**") and "Industry Research Report on Food Premix Sector in India" dated December 2021 prepared by CARE Advisory Research and Training Limited ("**Care Report**") each exclusively commissioned and paid for by our Company. A copy of the GIRACT Report and CARE Report is available on the website of our Company at www.hexagonnutrition.com. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.*

Global Economy *(Source: Care Edge (CARE Ratings) Economics Research report, "India's Economic Growth in Q1 FY22" dated 31st August 2021)*

The world economy contracted by -3.1% in CY2020 owing to the global outbreak of Covid-19. In comparison with the forecasts made by IMF in World Economic Outlook, July 2021, IMF downgraded its projected global economic growth outlook for CY2021 while the estimates remained unchanged for CY2022. The global economy is now forecasted to grow by 5.9% in CY2021 and 4.9% in CY2022. The revision made for CY2021 is due to the downgrades made for advanced economy and low-income developing countries group.

Global Growth Outlook Projections (in %)

Country/Group	2020	2021E	2022E
World Output	–3.1	5.9	4.9
Advanced Economies	–4.5	5.2	4.5
United States	–3.4	6.0	5.2
Euro Area	–6.3	5.0	4.3
Japan	–4.6	2.4	3.2
United Kingdom	–9.8	6.8	5.0
Canada	–5.3	5.7	4.9
Remaining Advances Economies	–1.9	4.6	3.7
Emerging Market & Developing Economies	–2.1	6.4	5.1
Emerging and Developing Asia	–0.8	7.2	6.3
China	2.3	8.0	5.6
India*	–7.3	9.5	8.5
ASEAN**	–3.4	2.9	5.8
Emerging and Developing Europe	–2.0	6.0	3.6
Latin America and the Caribbean	–7.0	6.3	3.0
Middle East and Central Asia	–2.8	4.1	4.1

Sub-Saharan Africa	–1.7	3.7	3.8

Notes:E-Estimates

**For India, data and forecasts are presented on a fiscal year basis and GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year.*
***Includes Indonesia, Malaysia, Philippines, Thailand and Vietnam*
Source: IMF – World Economic Outlook, October 2021

The growth in global GDP in H1 CY2021 was broadly according to the expectations and outruns for first quarter global GDP were stronger than expected due to continued resumption of economic activities coupled with policy support from the government. However, the momentum weakened in the second quarter due to spike in Covid-19 cases in several emerging and developing economies and consequent disruptions in supply.

Advanced economies group

After a negative growth of 4.5% in CY2020, advanced economies group is projected to grow by 5.2% in CY2021. IMF revised down its forecast from 5.6% made in July 2021 largely due to downgrade made for United States on the back of large inventory drawdowns in Q2 CY2021, in part reflecting supply disruptions and softening consumption in the third quarter of CY2021. The projections for United States subsequently incorporate the infrastructure bill recently passed by the Senate and anticipated legislation to strengthen the social safety net, equivalent to about $4 trillion in spending over the next 10 years.

Similarly, projections were downgraded for Germany and Japan to 3.1% and 2.4% respectively. For Germany, it was partly due to shortages of key inputs weighing on manufacturing output and for Japan it was attributed to the effect of the fourth State of Emergency imposed from July to September as Covid-19 infections hit a record level in the current wave. Overall, across the advanced economies group, the forecast for CY2022 has been revised upwards from 4.4% to 4.5% in World Economic Outlook – October, 2021 release based on stronger rebound expected in H1 of CY2022 due to higher vaccine rollouts.

Emerging market and developing economies group

After contracting by -2.1% in CY2020, the emerging market and developing economies group is estimated to grow by 6.4% in CY2021. This is a revised forecast from 6.3% made in July, 2021 release and is backed by revised upgrades in most of the regions in the group. Projections for China are slightly revised down to 8% in CY2021 due to stronger than expected scaling back of public investment while for India, the projections have remained unchanged at 9.5% growth in CY2021. Apart from China and India, the emerging market and developing economies group is revised down as the Covid-19 cases increased. Meanwhile, projections made in other regions have been slightly revised upwards in CY2021.

IMF highlighted in its report that the economic recovery is highly dependent on vaccine access across regions, hence economies will witness diverging recovery rates which may not remain steady as long as people are exposed to the virus and its emerging variants. Close to 58% of the population is vaccinated in the advanced economies while only around 36% of the population is vaccinated in the emerging economies and less than 5% of population is vaccinated in low income group. In these economies, vaccine supply and distribution remain the primary issue. Hence, speeding up the vaccination of the world population remains the top policy priority, while continuing the push for widespread testing and investing in therapeutics. This would help save millions of lives and also aid in preventing the emergence of new variants thereby hastening the global economic recovery.

Indian Economy *(Source: Care Edge (CARE Ratings) Economics Research report, "India's Economic Growth in Q1 FY22" dated 31st August 2021)*

The Indian economy has registered high growth in Q1 FY22 from that in Q1 FY21. This however is a statistical phenomenon owing to the record low reading of year ago and is not reflective of the weakness in the domestic economy.

The second wave of the pandemic has indeed been a setback to the nascent recovery of the domestic economy that was underway during the three quarters to Q4 FY21. The re-imposition of the restrictions/lockdowns, which were localised in many regions since the start of the current financial year has impacted economic output in Q1 FY22. This brings into question the optimism that the localised and targeted confinement measures tend to have a less severe impact on the economy and that businesses and households have adapted to restrictions.

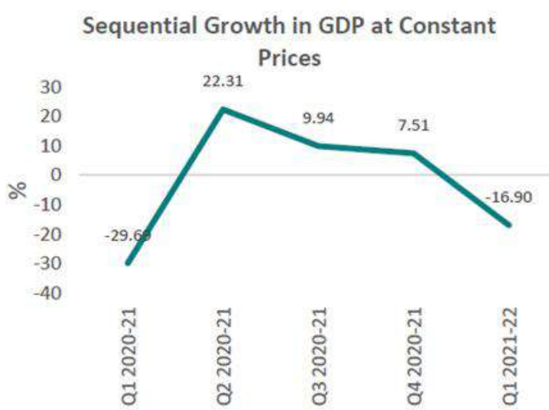
The country's economy continues to be stressed and the level of economic activity is significantly lower than the pre-pandemic period i.e., Q1 FY20. Even though, the Q1 FY22 GDP on a year-on-year basis grew by 20.1%, on a sequential (quarter-on-quarter) basis the domestic economy contracted by 16.9% during the quarter following three quarters of positive growth i.e., Q2 FY21-Q4 FY21. When compared with the pre-pandemic period i.e., Q1 FY20, the GDP growth rate in Q1 FY22 is negative 9.2%. Care Edge (CARE Ratings) Economics Research had estimated the country's economy to grow by 13.1% in Q1 FY22 (year-on-year).

Growth in GDP

Quarterly GDP Growth at Constant Prices: Y-o-Y (%)

	Q1 FY20	Q1 FY21	Q1 FY22	Q1 FY22 over Q1 FY20
Real GDP	5.2	-24.4	20.1	-9.2
Nominal GDP	8.1	-22.6	31.7	4.2

Source: MOSPI



Source: MOSPI, Care Edge (CARE Ratings) Economics Research report

Despite the weakness, India is one of the select few economies that have witnessed positive year-on-year growth in the last three consecutive quarters and is amongst the fastest growing economies during April-June'21. However, the domestic economy continues to be stressed despite the high growth numbers for Q1 FY22. There is optimism that the economy would see a pickup with the easing of the restrictions since June'21. Care Edge (CARE Ratings) Economics Research revised their projections for the FY22 GDP from 8.8% to 9.0% earlier to 9% to 9.1%, with the growth in Q1 GDP being higher than estimated. Economic activity is expected to attain and surpass pre-pandemic level from Q3 FY22 onwards. The downside risk to the projections would primarily be a resurgence in the pandemic due to a possible third-wave and weak demand conditions. A pickup in consumption during the festive season in Q2 and Q3 would be key to the country's economic growth prospects for the financial year.

With the expected higher value of GDP, Care Edge (CARE Ratings) Economics Research estimate for the fiscal deficit as a proportion of GDP for FY22 is being revised downwards from 7.7% to 7.8% to 7.6% to 7.7%. Given the weakness in the domestic economy, the RBI is expected to maintain its focus on growth and continue with its accommodative policy stances**.**

Sectoral Growth – Quarterly (Y-o-Y % Growth) at Constant Prices

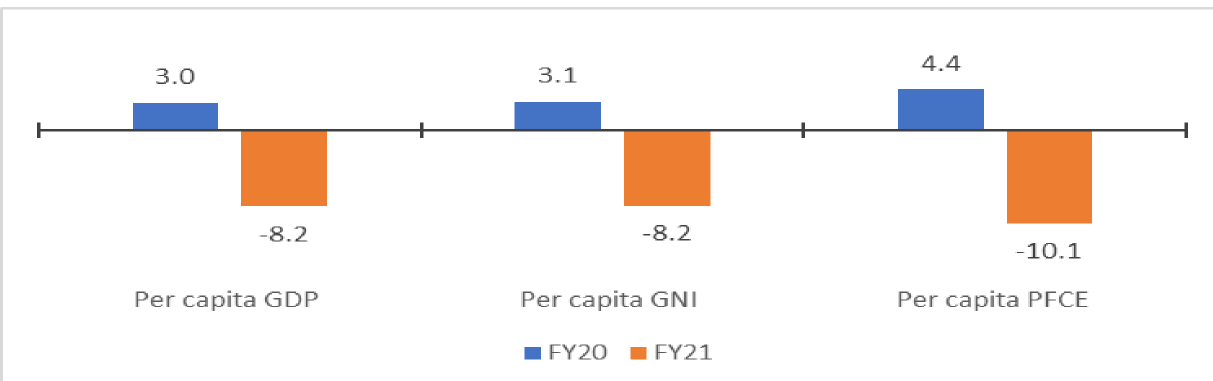
	Q1FY20	Q1 FY21	Q1 FY22	Q1 FY22 v/s Q1 FY20	Q-o-Q% growth Q1 FY22
Agriculture, forestry & fishing	**3.3**	**3.5**	**4.5**	**8.2**	**-10.7**
Industry	**1.7**	**-35.8**	**46.1**	**-6.2**	**-17.1**
Mining & quarrying	**-1.3**	-17.2	18.6	-1.8	-10.8
Manufacturing	0.6	-36.0	49.6	-4.2	-13.9
Electricity, gas,water supply & other utility services	6.9	-9.9	14.3	3.0	**3.1**
Construction	3.7	-49.5	68.3	-14.9	-30.3
Services	**7.2**	**-21.5**	**11.4**	**-12.5**	**-11.8**
Trade, hotels, transport, communication & broadcasting	6.2	-48.1	34.3	-30.2	-35.3
Financial, real estate & professional services	8.8	-5.0	3.7	-1.5	18.8
Public administration, defence and other services	5.6	-10.2	5.8	-5.0	-19.3
GVA at Basic Price	**5.0**	**-22.4**	**18.8**	**-7.8**	**-13.3**

Source: MOSPI, Care Edge (CARE Ratings) Economics Research report

Per Capita GDP, Income and Final Consumption

India's per capita gross domestic product (GDP) de-grew by -8.2% in FY21 from 3.0% growth in FY20. Gross national income (GNI) dropped by 8.2% in FY21 from a 3.1% growth in FY20. The per capita private final consumption expenditure (PFCE), that represents consumer spending, declined by -10.1% in FY21 after growing by 4.4% in FY20.

Growth in per capita GDP, Income & Final Consumption



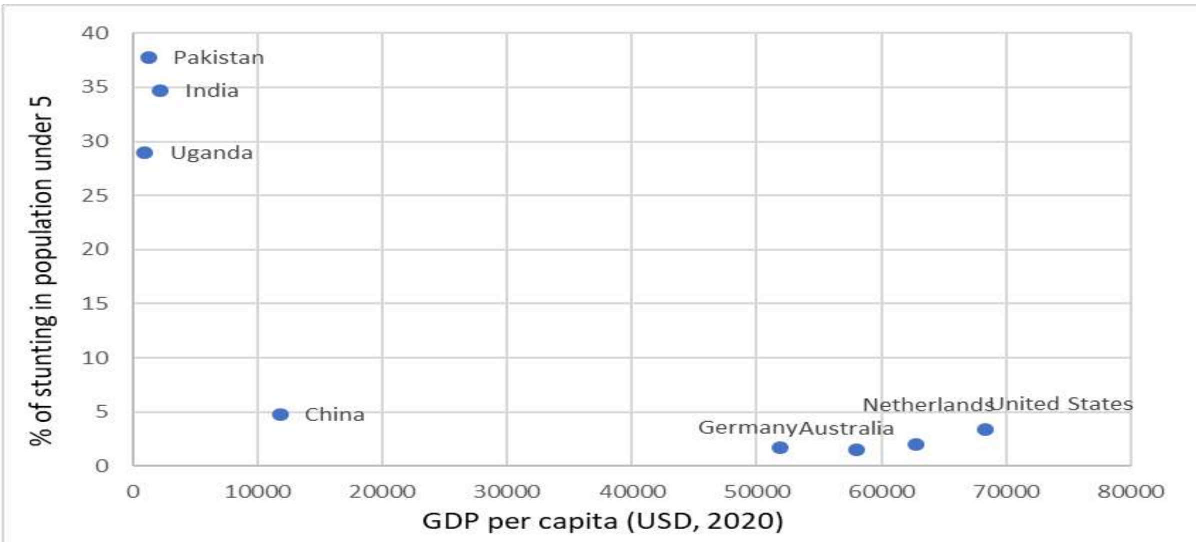
Source: CMIE

Survival Replaced Stability as a Key Financial Goal in 2020

GDP growth has a significant impact on the health and nutritional status of populations and countries and vice versa, where a healthy population can lead to significant economic advantages for a country. Such indicators include life expectancy at birth, under-five mortality rates, and, prevalence of stunting. Hexagon Nutrition Private Limited's ("Hexagon") product lines directly address these issues both as a cause (therapeutic nutrition) and a resultant (functional and clinical nutrition). A comparison of stunting prevalence vs per capita GDP of 8 countries across the economic spectrum shows the strong correlation between these two factors.

In the United States of America (USA) half the growth in full income during the first half of the twentieth century had resulted from mortality declines and slightly less than half increase in income was observed in the second half of the 20th century. Real income in the USA went up six times, and life expectancy went up by 25 years during this period.

Comparison of per capita GDP and stunting across nations, 2020 (CY)



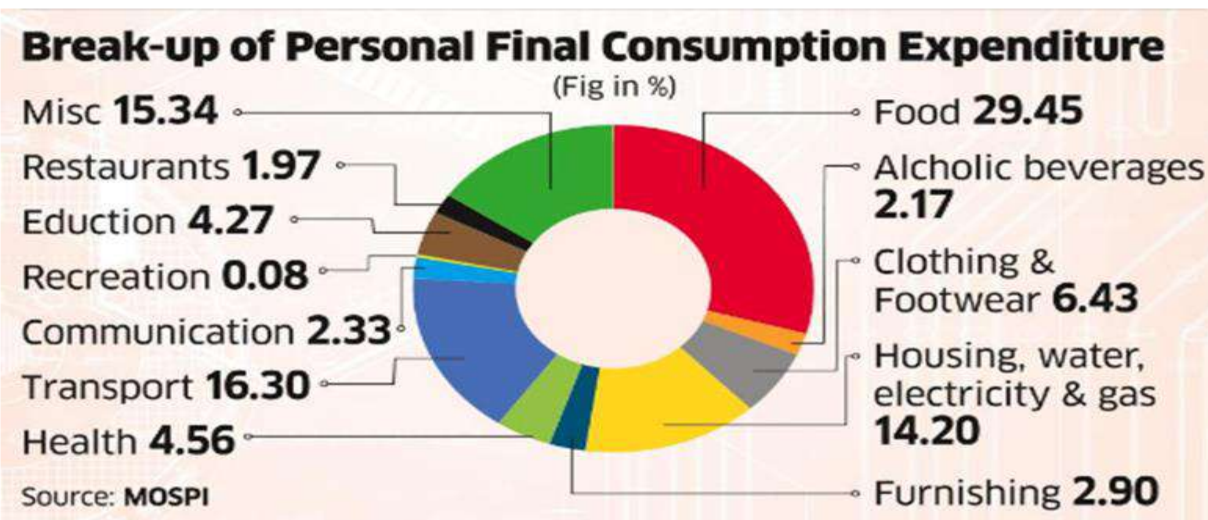
Source: Giract analysis

The WHO estimates that 149 million children globally were stunted and 45 million were wasted in 2020. Around 45% of deaths of children under 5 is due to undernutrition, mostly in low- and middle-income countries.

India's Rapid Growth is unabated by Pandemic Burdens

Indians are ready to spend more on discretionary items, feel safer about returning to their workplace, and have an increased want to spend on travel**.**

Personal Final consumption expenditure, India, 2020-21 (FY)

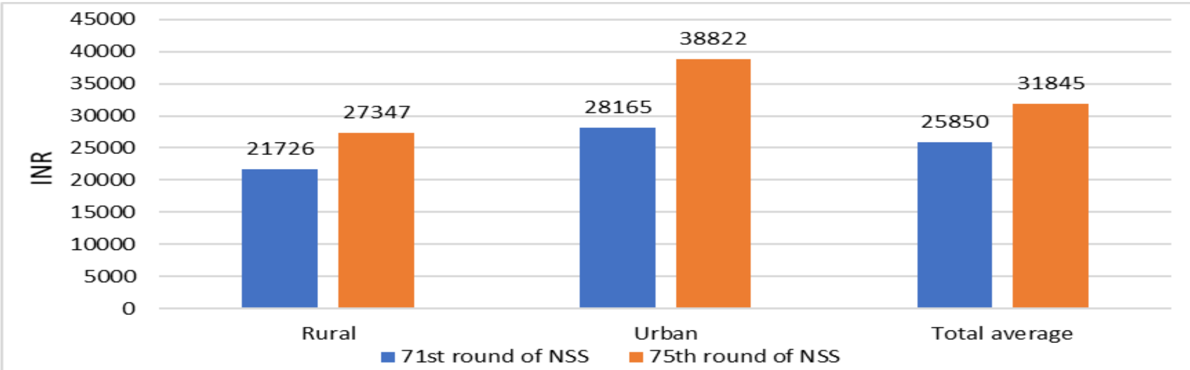


Post pandemic spending is increasing among Indians. According to a study consisting of a 30-day analysis of consumer spending behaviour of 1,000 persons in India during the period of July-August 2021, it was noticed that consumers showed a 12% increase in expenditure on alcohol, 36% increase in cable TV expenditure, 36% increase in clothing / footwear expenditure, 33% expenditure increase in electronics, 25% increase in furnishings, and 22% increase on restaurant expenditure.

Pre-Covid, around 32% of people in the country had comprehensive insurance plans and this shot up to 55% after Covid, indicating the increased spending on preventive covers, which can also be correlated to other preventive measures such as increased spending on health and nutrition.

Between 2014 and 2018 there was a 23% increase in private hospitalization costs. Comparing 71st round of NSS to 75th round of NSS, we can see the average cost of private hospitalization rising from INR 28,165 to INR 38,882.

Average private hospitalization cost, 2014-18 (CY), India, INR



Source: MoSPI NSS 71st and 75th rounds

The move away from viewing healthcare as a "cost disease" to an engine of growth has been supported by significant evidence that correlates increased rational investments in healthcare with higher prosperity levels. Three domains of healthcare challenges are:

1. The ongoing high rates of infectious disease and mortality from reproductive, maternal, newborn, and child health (RMNCH) disorders in poor populations, especially in rural regions
2. A consequence of tackling the conditions of the first domain is demographic changes and the shift in the global disease burden towards NCDs and injuries, and, finally:
3. A consequence of inadequate financial arrangements for addressing the other two domains is the potential for impoverishing medical expenditures together with sharp and unproductive increases in health-care costs.

The following table provides the percentage break up of hospitalization cases by category of ailment for which the patient was hospitalized.

Percentage break-up of ailments for hospitalization cases at all-India level

Category of Ailment	Male	Female	All
Infections	31.3	31.6	31.4
Injuries	15.3	6.8	11.2
Gastro-intestinal	8.7	11.2	9.9
Cardio-vascular	10.1	8.1	9.1
Genito-urinary	5.4	6.5	5.9
Psychiatric/neurological	6.3	5.1	5.7
Musculo-skeletal	4.0	4.8	4.4
Respiratory	4.5	3.9	4.2
Eye	3.2	4.0	3.6
Obstetric and neo-natal	0.7	6.4	3.5
Other	10.5	11.6	11.1
Total	100	100	100

Note: The percentages above include both urban and rural
Source: MOSPI, NSS 75th Round (July 2017 – June 2018) released in November 2019

Further, in order to prevent and control major Non-Communicable Diseases (NCDs), the government is implementing the National Programme for Prevention and Control of Cancer, Diabetes, Cardiovascular Diseases and Stroke (NPCDCS) in all States and it focusses on strengthening infrastructure, human resource development, health promotion, early diagnosis, management and referral. The following table provides information on people who attended NCD clinics and were diagnosed with some major NCDs such as diabetes, hypertension, Cardiovascular Diseases (CVDs) and common cancer.

Number of people diagnosed with NCDs under NPCDCS

Year	Total Number Screened	Number of persons diagnosed with			
		Diabetes	Hypertension	CVDs	Common Cancer
FY15	5,24,567	5,59,718	7,15,382	61,302	11,385
FY16	1,29,00,368	10,67,774	14,92,996	89,922	13,262
FY17	2,24,27,125	21,75,145	27,12,204	1,04,633	39,081
FY18	4,65,75,176	37,28,436	27,12,204	1,04,633	39,081
FY19	6,79,62,186	41,48,681	50,67,912	1,77,112	1,45,430
FY20	6,60,95,757	49,96,389	58,42,446	2,26,411	77,293
FY21*	82,10,811	6,07,716	7,12,374	33,352	11,439

Note: FY21 data is during April to June 2020
Source: Ministry of Health & Family Welfare, GoI

Hexagon places itself in the centre of these issues as earlier stated, addressing both the causes and resultants of the economy-healthcare convergence, offering holistic nutrition solutions. It was one of the first to begin micronutrient premix production in India, and is a pioneer in this field in South Asia. The Government of India has also increased its expenditure on public health issues following the pandemic through various Ministries and departments.

Expenditures by GoI ministries relevant to health and nutrition, 2019-20-21 (FY)

In INR crores

Ministry/department	Budget expenditure 2019-2020)	Budget expenditure 2020-2021	Budget expenditure 2021-2022
Department of health and family welfare	62,397	65,012	71,269
Department of health research	1,934	2,100	2,663
Ministry of Ayush	1,784	2,122	2,970
Covid-19 vaccines	-	-	35,000
Department of water and sanitation	18,264	21,518	60,030
Nutrition	1,880	3,700	2,700
Department of water and sanitation	18,264	21,518	60,030
Nutrition	1,880	3,700	2,700
Finance commission grants for water and sanitation	-	-	36,022
Finance commission grants for health	-	-	13,192
Total	**86,259**	**94,452**	**2,23,846**

Source: Government of India

The government has doubled its budgetary allocation for nutrition during the pandemic from INR 1880 crores to INR 3700 crores and this budget is expected to be maintained at a higher than ever before level during the post pandemic period with the government almost tripling its budget allocation on health and well-being as a whole.

Government Encourages Food Processing and Export by Enabling a Positive Business Environment

India lags behind many of its competitor countries in the size of its processed food sector, but shows enormous scope for growth, riding on an accelerating GDP.

With the government projecting India's processed food industry to reach USD 535 billion by FY 2025-26, various schemes have been put forth for enhancing investment, production and export attractiveness of this sector. PLI schemes worth INR 10,900 crores (~USD 1.45 billion) have been introduced under Atmanirbhar Bharat.

A positive environment has been created that can be leveraged by processors who straddle ingredient supply as well as finished product producers addressing both Indian and global demand. This is to the advantage of Hexagon, which is differentiated and research oriented pure play nutrition company, fully integrated from ingredient premix manufacture right up to finished functional and clinical nutrition products, with strong R&D capabilities.

Estimated processed food industry revenues, Global, 2021 (CY)

Source: Giract, based on various sources, 2020

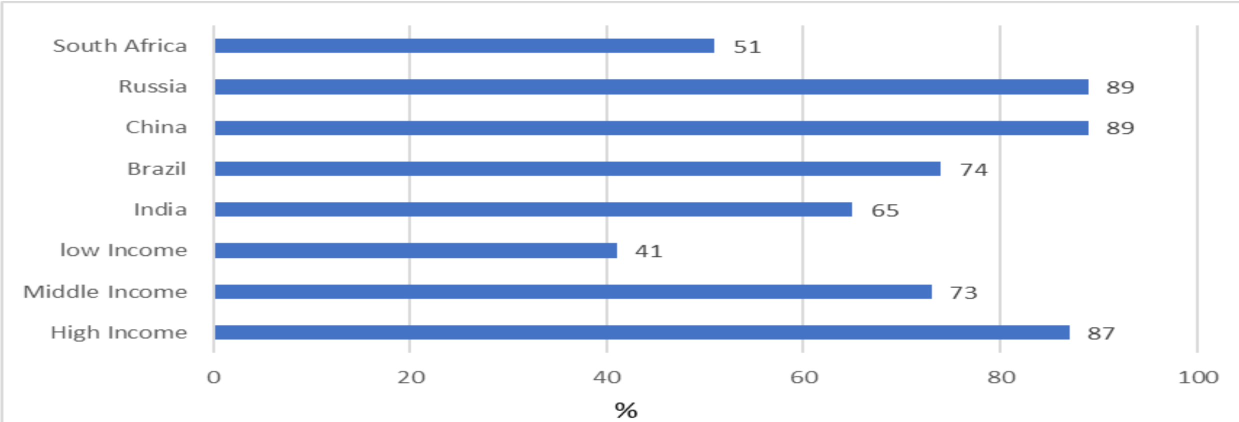
Healthcare Indicators are worrying for worrying for economic growth in India

The national family health survey, the latest of which is dated 2019-20, contains key indicators of public health in India. It enumerates a high incidence of malnutrition in children with 39.4 million underweight children ,42.3 million stunted children and 23.1 million wasted children as of 2020.

The census of India identified non-communicable diseases as a significant cause of death. Most of the developing countries including India have been witnessing double disease burden. Along with prevalence of communicable and other infectious diseases, there is a growing burden of chronic and non-communicable diseases

Non-communicable diseases contribute to 39.1% of the entire disease burden in India, causing 65% of all deaths, and over 75% of non-communicable diseases are not part of existing national health programs. India, which is categorised as a lower middle income country, fares better than most of the BRICS countries, all others being upper middle income with a high burden of NCD related deaths.

Cause of NCD deaths in various countries and regions as a % of total, 2020 (CY)



Source: IMF, The World Bank assigns the world's economies to four income groups—low, lower-middle, upper middle, and high-income countries. this is based on the GNI per capita in current USD of the previous year.

The progression towards lifestyle diseases in the countries with higher income levels should ring alarm bells for Indian public health planners. Addressing these issues through provision of appropriate nutrition through various channels – for both undernourished and over nourished populations - is a key challenge that companies such as Hexagon can leverage through their offerings of micronutrient premix ingredients as well as finished products, containing whey proteins which are considered as the gold standard in protein nutrition with high biological value and a PDCAAS value of 1.

Biological value (BV) is a measure of the proportion of absorbed protein from a food which becomes incorporated into the proteins of the organism's body. It captures how readily the digested protein can be used in protein synthesis in the cells of the organism. It is a measure of protein quality. A protein's BV is influenced by the Amino acid composition, the preparation parameters, and vitamin/mineral content.
PDCAAS - Protein digestibility corrected amino acid score is rating adopted by the USFDA and FAO/WHO as the preferred method to determine protein quality.

It is commonly perceived that micronutrient deficiency occurs due to food insecurity however, many people from non-poor families and in food secure environment suffer from nutrient deficiencies due to lack of balanced diet and low bioavailability of nutrients.

The National Health Family Survey 2019-21 (NFHS-5) gives information on population, health and nutrition at India level and state/union territory level as well. Some of the key statistics are stated below:

- 67.1% of children in the age group of 6-59 months are anaemic
- 57.2% of non-pregnant women are anaemic (15-49 years age group)
- 52.2% of pregnant women are anaemic (15-49 years age group)
- 25% of men in the age group of 15-49 years are anaemic (15-49 years age group)
- 32.1% of children under 5 years of age are underweight
- 35.5% of children under 5 years of age are stunted
- 19.3% of children under 5 years of age are wasted
- Only 11.3% of children in the age group of 6-23 months receive an adequate diet

In addition, the prevalence of vitamins A, D, B-12, folate and zinc deficiencies among 1 to 19-year-old children in India according to Comprehensive National Nutrition Survey (CNNS), 2016-18 is detailed below.

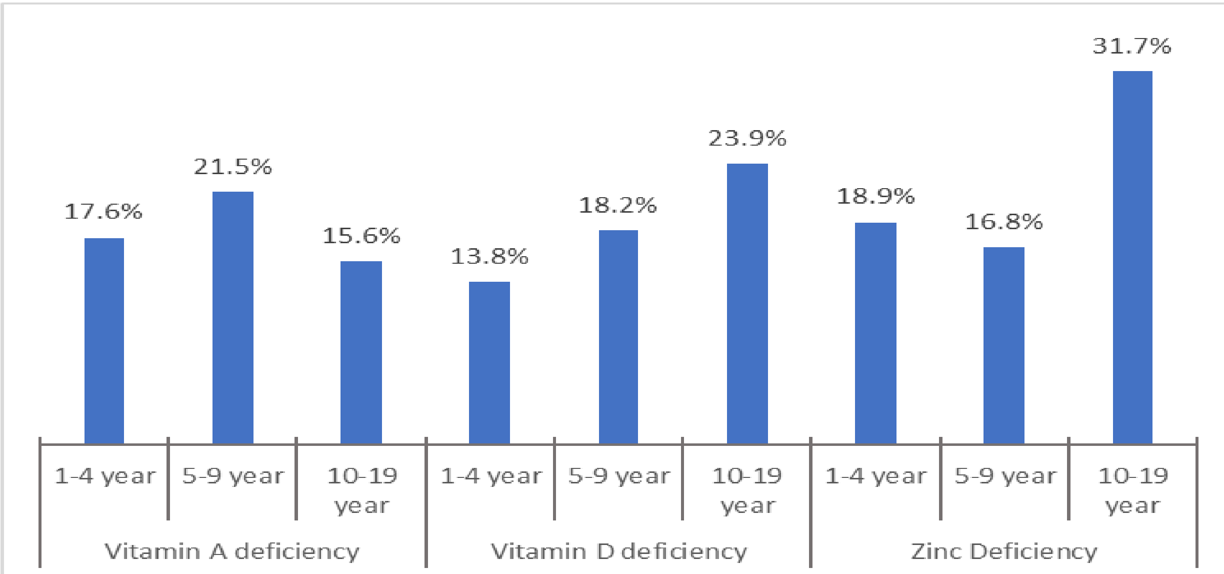
Vitamin A deficiency

Vitamin A deficiency was noted to be at 21.5% in children in the age group of 5-9 years old, followed by 17.6% in children in the age group of 1-4 years old and at 15.6% for children aged 10-19 years old.

Vitamin D deficiency

About 23.9% of 10-19 years old had vitamin D deficiency. The incidence of vitamin D deficiency was lower in 1-4 years old at 13.8% as compared with 18.2% in 5-9 years old children.

Percentage of adolescents with vitamin A, D & zinc deficiency in India



Note: For Vitamin A deficiency diagnoses, WHO guidelines were used. Children aged 1–9 years and adolescents aged 10-19 years old were defined to have Vitamin A deficiency if serum retinol concentration in blood was <20µg/dL.

For Vitamin D deficiency cut-offs, Institute of Medicine (IOM) guidelines were used. Children aged 1–9 years and adolescents aged 10-19 years old were defined to have Vitamin D deficiency if the concentration of serum 25(OH)D was <12ng/mL (30 nmol/L).

For Zinc deficiency cut-offs, International Zinc Nutrition Consultative Group guidelines were used. Children aged 1–9 years were defined to have Zinc deficiency if serum zinc concentration was < 65 µg/dl. Adolescents aged 10-19 years old were defined to have define Zinc deficiency if serum zinc concentration was < 70 µg/dl (morning fasting) and < 66 µg/dl (morning non-fasting) in non-pregnant girls and < 74 µg/dl (morning fasting) and < 70 µg/dl (morning non-fasting) in boys.

Source: CNNS, 2016-18

Zinc deficiency

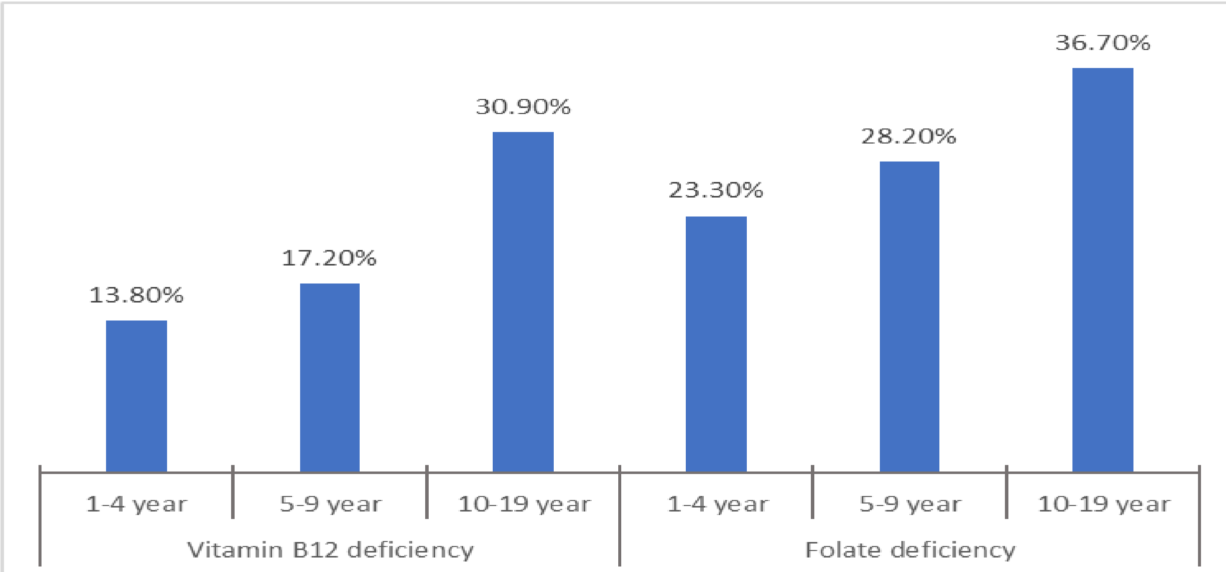
About 31.7% adolescents aged 10–19 years were suffering from zinc deficiency. 18.9% of children and 16.8% of the children in the age group of 1-4 years and 5-9 years were zinc deficient.

Vitamin B12 & folate deficiencies

The deficiency of vitamin B-12 deficiency was highest among adolescents in the age group of 10–19 years at 30.9% as compared with children in the age group of 5–9 years at 17.2% and children in the age group of 1–4 years at 13.8%.

Similarly, the incidence of folate deficiency was highest amongst 10-19 years old at 36.7% followed by 28.2% in 5-9 years old and 23.3% in 1-4 years old children.

Percentage of adolescents with vitamin B12 & folate deficiency in India



Note: For Vitamin B12 deficiency diagnoses, WHO guidelines were used. Children aged 1–9 years and adolescents aged 10-19 years old were defined to have Vitamin B12 deficiency if serum Vitamin B12 was <203pg/ml.

For folate deficiency diagnoses, WHO guidelines were used. Children aged 1–9 years and adolescents aged 10-19 years old were defined to have folate deficiency if the concentration of serum erythrocyte folate was <151ng/mL.

Source: CNNS, 2016-18

One of globally proven methods to address the problem of micronutrient deficiency is fortification of food. It means addition of micronutrients to food. It is intended to increase the content of the target micronutrients in the food and micronutrients are added to food during food processing and value addition.

Some of the key vitamins and minerals such as Iron, Iodine, Zinc, Vitamins A & D are added to staple foods such as rice, wheat, oil, milk and salt and processed foods as well in order to improve their nutritional content.

Food Consumption Patterns are moving away from traditional roles and channels

The consumer products food industry is split into 8 segments with underlying sectors. Each sector has a multitude of product types, all of which require expertise in ingredients and technologies to formulate, manufacture, pack and market/sell.

Consumer products food industry revenues, by sector, India, 2021-26 (CY)

Sector	2021 (crore INR)	2026 (crore INR)	CAGR % (2021-26)
Beverages	86,500	1,51,086	11.8
Confectionery	25,600	39,389	9.0
Dairy	1,90,800	3,54,659	13.2
Savory snacks	48,000	91,612	13.8
Bakery	63,400	1,02,571	10.1
Cereals	4,000	7,050	12
Processed Meat and Fish	2,140	3,338	9.3
Sauce	28,800	43,106	8.4

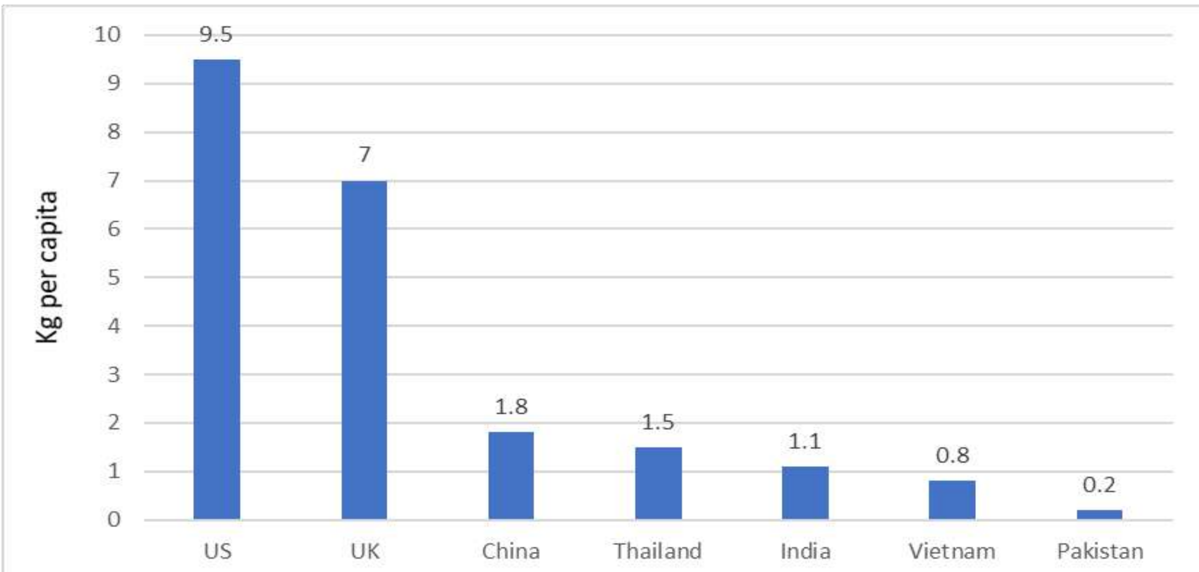
Sector	2021 (crore INR)	2026 (crore INR)	CAGR % (2021-26)
Other Foods	2,85,000	3,92,311	6.6
Total	**7,30,240**	**11,85,122**	**10.2**

Source: Giract, based on various estimates.
Note: Other Foods (Noodles, Ready Meals, Infant Formula/Baby Food, Soup, Spreads, Dressings, and Margarine)

Companies such as Hexagon, which have the ability to understand ingredients as well as finished products, straddle this complex gamut with ease. It is the only holistic nutrition player that offers products emcomapssing micronutrient premixes, right upto clinical and therapeutic products.

Per capita snack consumption is lower in urban India than in many developing and developed nations.

Per capita consumption of snacks across countries, 2020 (CY)



Source: Giract, based on various sources, 2020

There is also a significant decline in take-home purchases of soft drinks in urban India, especially in wealthier states like Delhi and Tamil Nadu, suggesting that urban India is more health conscious than ever before.

From this conscious lowering of consumption, it can be inferred that there is a nutrition transition taking place in India, as seen through higher processed food consumption along with income growth and greater urbanisation (urbanisation projected to reach 50% by 2020 *(Source: Urbanisation and Food Consumption in India, Nature, October 14, 2020*). In addition to growing wealth, access to processed foods is also facilitated by the rising number of modern grocery retailers which has increased by 13.9% in the last 5 years.

Legislation Enabling Nutritional Improvements Through Various Strategies

Food Safety and Standards regulations that define fortified foods, establish standards/doses of nutritional components, identify key suppliers of premixes as well act as a policing agency for maintenance of these standards, have been a major enabler of fortifying various staples and processed foods in India. Under these regulations, fortified processed food can be prepared from fortified food items that may be cereals and/or milk and should provide 15-30% of the Indian adult RDA of micronutrient based on an average daily calorie intake of 600kcal from processed foods (approx. one-third of daily energy requirement for an adult). Manufacturers who fortify any processed food must ensure that the level of micronutrients fall within the range specified by this regulation. Where the raw materials fall short of these minimum requirements, premixes are essential to be added to the formulation. Most manufacturers of micronutrient premixes in India are focused on fortified staples, where a company such as Hexagon, having expertise in finished product formulations, can also provide application support to manufacturers of fortified processed foods.

Staples are salt, sugar, oil, milk, wheat and rice flour. The latest mandate involves compulsory fortification of edible oil and milk that is sold in the open market by both SME and large companies alike. The main deficiency targeted by this regulation would be Vitamins A and D, while fortified rice and wheat flour are to tackle iron, folic acid and vitamin B12 deficiency, and fortified salt, iodine deficiency.

NITI Ayog has been facilitating the implementation of fortification of rice, wheat flour, double fortified salt, edible oil and milk in social safety programs such as Integrated Child Development Services (ICDS) and the Midday Meal Schemes.

After multiple successful consultations by Niti Ayog, a Centrally Sponsored pilot Scheme on Fortification of Rice and its distribution was approved by the Department of Food and Public Distribution to tackle malnutrition in February 2019. The initial phase intended catering to 15 selected Districts in the country with one District per State/UT and is brought in to fortify rice distributed through existing safety net programs in India, which include MDM and ICDS schemes. The standards for rice fortification were gazetted in 2018.

The Prime Minister's overarching scheme for holistic nourishment – Poshan Abhiyaan – is a flagship nutritional program aimed at improving the nutritional status of children, pregnant women and lactating mothers. Its goals are the reduction of child stunting, underweight and low birth weight by 2% and anaemia among children (and young females) by 3% every year. Fortification of key staples is one of the main ways the program could tackle these problems. States are allowed the flexibility to innovate methods for tackling malnutrition.

The Anemia Mukt Bharat- intensified Iron-plus - is an initiative undertaken to strengthen the existing mechanisms for tackling anemia and foster newer strategies. Its main focus is 6 target beneficiary groups which it will target with 6 interventions and 6 institutional mechanisms to achieve Poshan Abhiyaan's proposed targets. 2 of those 6 interventions are:

- Prophylactic Iron and Folic Acid supplementation
- Mandatory provision of Iron and Folic Acid fortified foods in government-funded health programs

Fortification of food is a global phenomenon. More than 97 countries across the world have mandatory fortification programs for at least one major cereal, 20 countries mandate for at least two, and two countries (USA and Costa Rica) mandate that rice, wheat and maize flours need to be fortified. Hexagon exports micronutrient premixes to 33 of these 97 countries and stands to gain by these mandatory fortification programs. Within the European Union, fortification of food with added vitamins and minerals is permitted through legislation.

Growth of Clinical Nutrition Promoted by Multiple Factors

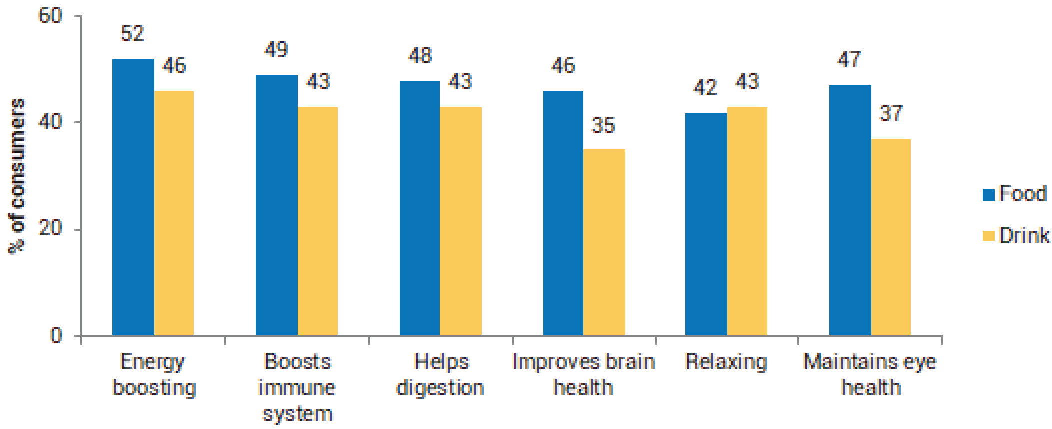
The clinical nutrition sector, often referred to as the health and wellness sector, comprises medical nutrition (hospital administered parenteral and enteral products, as well as prescription and OTC), enteral supplements (orally administered and tube feeding), infant and child nutrition, and functional foods and beverages (comprising weight loss products, womens' health, geriatric nutrition, protein supplements, etc.).

India's positive per capita GDP growth, 4% inflation rate, access to traditional and modern nutraceutical ingredients, and increasing consumer awareness of deficiency disease incidence and prevention are driving rapid growth of the clinical nutrition sector. In a recent Dynata/Mintel consumer survey, 48% of consumers in India say that they would follow a diet that reduces the risk of lifestyle diseases, such as hypertension and diabetes, with 29% of respondents claiming that source of vitamins and minerals is the most important factor when selecting food products (Source: Dynata/Mintel 2020).

In a recent Ipsos Observer/Mintel survey, 49% of beverage consumers and 43% of food consumers claimed that "boosts immune system" was a key nutritional claim when selecting food and beverage products. Similar proportions were also observed for "energy boosting", "helps digestion", "improves brain health", and "improves eye health" (Source: Ipsos Observer/Mintel 2021).

India: select benefits consumers find appealing when choosing a food and drink product, 2021 (CY)

Source: Ipsos Observer/Mintel



Additionally, 40% of Indian consumers suffering psychosocial stress are interested in foods with added health benefits that would allow them to cope with stress (Source: Attitudes to Functional Food and Drink, Mintel, 2021).
Hexagon Nutrition has a wide range of products targeting disease-specific and lifestyle conditions, as well as for targeted nutritional requirements, all of which fall under the clinical nutrition vertical of the business. These are presented as disease-specific products and wellness products to clarify the intended application.

India's health and wellness nutrition market was worth USD 10.5 billion in 2020 growing at a CAGR of 11.9% till 2025. It is witnessing rapid category value growth in functional food and beverage (USD 4.5 billion; CAGR 7% from 2020 till 2025), paediatric and infant nutrition (USD 0.8 billion; CAGR 4.5% from 2020 till 2025), and medical nutrition (USD 5.2 billion; CAGR 17% from 2020 till 2025). Such double digit growth rates in categories such as medical nutrition are representative of high growth economies such as India, and represent an opportunity for companies, such as Hexagon Nutrition, operating in this space.

Key players of health and wellness nutrition include Abbott Nutrition, Nestlé Health Science, Hexagon Nutrition, Baxter, Nutricia, Mead Johnson, Sun Pharmaceuticals and Hindustan Unilever.

Hexagon Nutrition supplies a wide range of nutritional products, including whey-based, and disease-specific nutritional products, differentiating it from many of its market peers in terms of breadth of positioning.

Disease-specific nutrition players and products

Company/Producer	Brand	Product Types
Abbott Nutrition	Ensure	Nutritional drink for rapid recovery, Diabetic nutritional drink
	Ensure Plus	Protein nutritional drink, Peptide nutritional drink
	Elecare Jr	Amino acid based medicinal food for kids
Nestlé Health Science	Resource Diabetic	Diabetic nutritional drink
	Peptamen	Dietary management - GI disorders
	Peptamen	Dietary management - GI disorders
	Resource Opti	Dietary management – malnutrition
	Novasource Nutrihelp	Nutritional/dietary management

Company/Producer	Brand	Product Types
	Peptamen Junior	Peptide based nutrition
Hindustan Unilever	Horlicks Diabetic Plus	Diabetic care nutrition
Pristine Organics	Balance DM	Nutrition for Diabetes Mellitus
	Poushtik +	Nutrition for immuno challenged
	Balance Metanutrition	Weight control, dialysis care, renal care, ASD care, Alzheimer care, keto, cancer care and TB care nutrition
Hexagon Nutrition	Pentasure DM	Nutrition for diabetics
	Pentasure Renal	Supplement for acute renal failure
	Pentasure DLS	Nutrition for dialysis
	Pentasure Hepatic	Nutrition for liver care
	Pentasure Critipep	Peptide semi elemental diet
	Carboload	Carbohydrate supplement for recovery from surgery
	Meta Gluta ZS	Immunonutrition for cancer
GMN Healthcare	Pro 360	Diabetic care, collagen protein, nutrifibre, ortho protein nutrition
	Pro 360 – Nephro	High/low protein renal care nutrition
	Pro 360 – Canpro	Cancer care protein supplement
	Pro 360 – Respiro	Respiratory care protein supplement
	Pro 360 - Hepa	Liver care protein supplement
Patanjali	Nutrela	Diabetic care nutrition
Sun Pharmaceuticals	Prohance – D	Diabetic care nutrition
Dr. Reddy’s	Celevida	Diabetic care nutrition
Health Oxide	Dizfuel	Diabetic care nutrition
Devlo	Devlo	Diabetic care nutrition
Diprovit	Diprovit	Diabetic care nutrition
Prodrive	Prodrive	Diabetic care nutrition
The Great Banyan	Grain delites	Diabetic care nutrition

Source: Giract research

Key players in wellness nutrition are Hindustan Unilever, Mondelez India, Abbott Nutrition, Hexagon Nutrition, Nestle Health Science, Zydus Wellness, and Danone. Hexagon Nutrition differentiates its products from those of its competitors by offering unique whey-based formulations.

Wellness nutrition players and products

Companies/Producers	Brands	Product Category
Abbott Healthcare	Pediasure	Paediatric nutrition
Nestlé	Nangrow	Paediatric nutrition
	Lactogrow	Paediatric nutrition
	Ceregrow	Toddler cereal
Nestlé Health Science	Resource High Protein	High protein nutrition
	Optifast	Weight control and management
Hindustan Unilever	Horlicks	Malted health drink
	Horlicks Growth Plus	Protein supplement for kids
	Lite Horlicks	Nutritional health drink for adults
	Mother’s Horlicks Plus	Nutritional health drink for pregnant and lactating women
	Horlicks Protein Plus	High protein health drink for adults
	Horlicks Women’s Plus	Nutritional health drink for women
	Junior Horlicks	Paediatric nutrition drink

<table>
<tr><th>Companies/Producers</th><th>Brands</th><th colspan="2">Product Category</th></tr>
<tr><td></td><td>Boost</td><td colspan="2">Malted health drink</td></tr>
<tr><td>Mondelez India</td><td>Cadbury Bournvita</td><td colspan="2">Malt based nutrition for kids</td></tr>
<tr><td>Zydus Wellness</td><td>Complan</td><td colspan="2">Malt based nutrition for kids</td></tr>
<tr><td rowspan="4">Danone</td><td>Proteinx</td><td colspan="2">Hydrolysed protein supplement</td></tr>
<tr><td>Proteinx lite</td><td colspan="2">Zero sugar – protein supplement</td></tr>
<tr><td>Mama Proteinx</td><td colspan="2">Protein supplement for women</td></tr>
<tr><td>Junior Proteinx</td><td colspan="2">Protein supplement for kids</td></tr>
<tr><td>Amul</td><td>Amul Pro</td><td colspan="2">Malt based nutrition drink</td></tr>
<tr><td rowspan="2">Pristine Organics</td><td>Balance</td><td colspan="2">Balanced nutrition for kids, pregnant & lactating women, high protein supplement</td></tr>
<tr><td>Poushtik</td><td colspan="2">Health mix</td></tr>
<tr><td rowspan="11">Hexagon Nutrition</td><td>Pediagold</td><td colspan="2">Balanced nutrition for children</td></tr>
<tr><td rowspan="5">Pentasure</td><td>Pentasure</td><td>Balanced nutrition</td></tr>
<tr><td>Pentasure HP</td><td>High protein supplement</td></tr>
<tr><td>Pentasure 2.0</td><td>High protein high calorie nutrition</td></tr>
<tr><td>Pentasure Immunomax</td><td>Immunity nutrition</td></tr>
<tr><td>Pentasure Fiber</td><td>Soluble fiber</td></tr>
<tr><td>Obesigo</td><td colspan="2">Weight and bariatic diet management</td></tr>
<tr><td>Eva Care</td><td colspan="2">Nutrition for pregnant women</td></tr>
<tr><td>Pedia Gold Plus</td><td colspan="2">Peptide diet for children</td></tr>
<tr><td>Geria Gold</td><td colspan="2">Nutrition for geriatric patients</td></tr>
<tr><td rowspan="2">GMN Healthcare</td><td>Pro 360</td><td colspan="2">Protein supplement for pregnant women, weight gain, weight loss, daily wellness, whey protein supplement, immunity booster nutrition</td></tr>
<tr><td>Pro 360 - Women</td><td colspan="2">Protein supplement for women</td></tr>
<tr><td>Fresenius Kabi</td><td>Fresubin</td><td colspan="2">General health and weight control & management nutrition</td></tr>
<tr><td>Nutrasun Lifecare</td><td>My Pro nutrition</td><td colspan="2">Weight control & management nutrition</td></tr>
<tr><td>Marico</td><td>Saffola Fittify Gourmet</td><td colspan="2">Weight control & management nutrition</td></tr>
<tr><td>Gritzo</td><td>Super milk</td><td colspan="2">Protein supplement for kids</td></tr>
<tr><td>Herbal Life Nutrition</td><td>Dinoshake</td><td colspan="2">Nutritional drink for kids</td></tr>
<tr><td>Southern Foods</td><td>Manna</td><td colspan="2">Nutritional drink for kids</td></tr>
<tr><td>Slurrp Farm</td><td>Slurrp Farm</td><td colspan="2">Cereal nutrition</td></tr>
<tr><td>Melting Pot Concepts</td><td>Asitis</td><td colspan="2">Whey Protein supplement</td></tr>
<tr><td>Bright Lifecare</td><td>MuscleBlaze</td><td colspan="2">Whey Protein supplement</td></tr>
<tr><td>Radicura Pharmaceuticals</td><td>Nutrabay</td><td colspan="2">Whey Protein supplement</td></tr>
<tr><td>Inventiva Labs</td><td>My Fitfuel</td><td colspan="2">Whey Protein supplement</td></tr>
<tr><td>Tirupati Wellness/ India Farmcare</td><td>Fitspire</td><td colspan="2">Whey Protein supplement</td></tr>
<tr><td>Tirupati Wellness/ Starcap Wellness</td><td>Musclepharm</td><td colspan="2">Whey Protein supplement</td></tr>
</table>

Source: Giract research

Comparison of selected clinical nutrition players, 2021

Comparison factors	Abbott Nutrition	Fresenius Kabi	Nestlé Health Science	Hexagon Nutrition
Product portfolio (numbers in disease specific nutrition)	3	-	5	7
Product portfolio (numbers in wellness nutrition)	1	1	3	10
Health conditions addressed	Malnutrition, protein deficiency, diabetic, surgery and renal care	Malnutrition, protein deficiency, diabetic, onco and renal care	Malnutrition, protein deficiency, weight management, diabetic care, GI, food allergies, renal and hepatic care	Malnutrition, protein deficiency, diabetic care, dialysis care, renal, stress, trauma, cancer, burns, weight management sepsis and hepatic care
Positioning addressed	Children, adults & geriatric	Children, adults & geriatric	Children, adults & geriatric	Kids, adults & geriatric
Access to in-house premix nutritional raw materials	No	No	No	Yes
India specific R&D	Yes	Yes	Yes	Yes
Manufacturing % in India	60-70%	90%	80%	100%

Source: Giract research

Young Professionals and Dual Income Households Driving Demand for Functional Foods and Beverages

Demand is growing for functional nutrition driven, in part, by the younger professional generation with intense lifestyles and reduced time for organised meals. Additionally, popularity of these products is being driven by the manufacturers themselves, which often organise health camps where consumers can seek consultation from nutrition experts and dieticians. The functional beverages sector includes energy drinks, sports drinks and nutritional drinks. This category is driven by a growing young population of dual income households, with a rising income, and growing awareness of healthy eating.

Opportunities in functional food/beverage, 2020-25 (CY)

In USD billion

	2020	2025	2020-2025
India	4.5	6.3	7.0
Global	260.0	403.7	9.2
North America	140.0	201.0	7.5
Europe	33.0	42.1	5.0
China	15.0	22.2	8.2
ASEAN	57.0	64.5	2.5

Increasing Female Representation in the Workforce Amongst Several Factors Underlying Growth in Paediatric Nutrition

India has the largest child population globally —approximately 125-150 million between the ages of 0 and 4 years and with increasing numbers of women in employment, rising awareness of child nutrition, and rapid urbanisation, the pediatric nutrition category presents a significant growth opportunity. The category was provided a fillip in 2017 with the introduction of the Goods and Services Tax (GST). Other major players operating in India are Abbott Nutrition, Hexagon Nutrition, Nutricia, Raptakos, Amul, Pristine Organics, British Life Sciences, Mead Johnson, Babyvita and Manna Foods.

Opportunities in paediatric and infant nutrition, 2020-25 (CY)

In USD billion

	2020	2025	2020-2025
India	0.8	1.0	4.5
Global	70.0	83.1	3.5
North America	8.0	8.6	1.5
Europe	11.0	13.2	3.8
China	30.0	34.8	3.0
ASEAN	5.5	6.9	4.8

Source: Giract, based on analysis of databases, industry sources, and interviews

Increasing Eternal Nutrition Product Launches Creating Opportunities for Formulators

Growing awareness of malnutrition and micro-nutrient deficiency (Source: Nutrient Status of Indian Population, Indian Journal of Medical Research, Nov. 2018), combined with increasing costs of hospitalization (Source: Why is the Inpatient Cost of Dying Increasing in India, PLoS One, Sept. 2018), are driving sales of enteral supplements (orally-administered supplements). This trend has been given a boost by increased access to health information. Typically, supplements consumed are vitamin, herbal, omega-3, or protein supplements. The supplement market in India was valued at USD 4 billion in 2019 (consumption data of Indian nutraceutical market by ASSOCHAM), covering all the categories including vitamins/minerals, proteins, herbals, omega-3 and other nutritional ingredients. It is expected to reach USD 11-12 billion in 2026. Liquid encapsulation is one of the emerging technologies in this category as it provides superior ingredient stability. Such a format will present one of the key formulation opportunities for these products.

Opportunities in medical nutrition, 2020-25 (CY)

In USD billion

		2020	2025	CAGR%
India	Enteral (oral administration)	5.08	11.1	17.0
	Enteral (tube feed)	0.07	0.17	20.0
	Parenteral	0.05	0.07	6.0
Global	Enteral (oral administration)	191.00	265.4	6.8
	Enteral (tube feed)	2.60	3.5	6.2
	Parenteral	5.50	7.2	5.5
North America		54.50	59.5	1.8
Europe		43.00	49.8	3.0
China		20.00	33.7	11.0
ASEAN		35.00	46.8	6.0

Tube Feeds Present Potential Growth Opportunity for Hexagon Nutrition

Disease-specific products are typically sold through hospitals (IPD/OPD), which contribute 60% of sales of this sector.

Share of disease-specific products by sales channel, 2020 (CY)

Sales Channel	Sales Share (%)
Hospitals (IPD/OPD/OPC)	60
General Retail	30
Online Retail	10
Total	**100**

Source: Giract, based on various sources

Tube feeds are only administered in hospitals. The global market for tube feeds was estimated at USD 2.6 billion in 2020. India consumes 3% of the global volume largely due to the high cost of these products, which are imported. In many cases, blenderized foods are administered to critically ill patients in India. However, unlike blenderized foods, which have unknown, or non-standardised, nutritional content, unknown osmolarity, poor microbial quality, high viscosity, and are difficult to make calorically dense, tube feed formulations contain complete and balanced nutrition, low-moderate osmolarity, sterility, excellent flow properties, and calorically-dense formulations can be prepared.

This serves to illustrate that Indian suppliers, such as Hexagon Nutrition, with a greater understanding of such market dynamics, will have an advantage over international suppliers in this sector. Hospital dietetics departments are a mandatory requirement for National Accreditation Board for Hospitals and Healthcare (NABH) certification.

Diversification of Online Sales Platforms Opening New Opportunities for Clinical Nutrition

Wellness products are largely sold through general retail outlets and hospitals, although, in some cases, they are also recommended by health practitioners and nutritionists.

In addition to hospitals and general retail (both organised and unorganised), online platforms are emerging as a high growth sales channel. In 2020, India's online retail market recorded a value of USD 60.5 billion. India's online retail market doubled between 2017-2020 with the domination of Flipkart and Amazon. Many dedicated health-based online channels also exist – Healthkart, Netmeds, TATA1mg and Pharmeasy are examples. Hybrid platforms such as Apollo, Credihealth are emerging. These platforms bundle online consultations with sales of medicines and nutritional products. The online channels represent an opportunity for enabling personalised nutrition, a key driver for future growth of the clinical nutrition vertical of Hexagon Nutrition.

Covid-19 Pandemic Boosting Growth in Disease Specific and Wellness Sectors

India has launched several efforts under the Poshan Abhiyaan program, which provides nutritional support to underweight and malnourished patients in India.

The World Health Organisation (WHO) India has implemented several programs to provide nutritional benefits to malnourished individuals. These initiatives provided nutritional diets to needy individuals even during the Covid-19 pandemic period. The Indian government also prioritises maternal, infant, and child health. Collectively, supplying such programs provides significant growth opportunity for Hexagon Nutrition.

More widely, global trends in health and nutrition, holistic wellness, and immunity claims—given a fillip by the pandemic—also translate to the Indian market where they are contributing to the rapid projected growth of clinical nutrition products.

The Global Market for Fortification Micronutrient Premixes is Ready for High Growths

Premixes may be created for the purpose of various positionings including bone & joint health, skin health, cognitive health and digestive health, among others. These may contain vitamins, minerals, nucleotides, amino acids, prebiotics and probiotics, along with many other macro and small molecules. Of particular interest to Hexagon are the vitamin and mineral premixes, which also form the largest chunk of the premix market.

Among the micronutrients that are added for fortification purposes, the following are important: Minerals (iron, zinc, calcium, selenium, iodine) and vitamins (folate, B series vitamins, A, D, C). These micronutrients may be added for the purpose of restoration, balancing dietary requirements, and making up for dietary deficiencies. Except for calcium, which is normally added to flour separately because of the large bulk involved, all other micronutrients are added as a single ingredient or as a premix. A premix is convenient, accurate and cost-effective for addition of micronutrients. Premixes can be standard or customised for specific applications. Manufacturers can purchase individual nutritional ingredients from suppliers and blend these ingredients in-house as part of the manufacturing process. Alternatively, manufacturers can purchase nutritional ingredients that have already been premixed according to the manufacturer's own specification. These premixed ingredients can then be used as inputs for the production process.

Customers of premixes that Giract has spoken with have indicated that the market for these ingredients will grow due to many reasons:
• Heightened awareness that vitamins and minerals can increase energy levels, muscle strength, reduce anxiety and stress levels and improve brain function
• Personalised treatment, which will require specialised premixes, is becoming popular with their consumers. Cost effectiveness of custom premixes is helpful in addressing this increasingly complex requirement of personalised nutrition. By 2022, new RDA limits are being brought in by the FSSAI which will increase the need for vitamin and mineral premixes in various applications
• In addition, purchase of individual ingredients requires complex inventory control, knowledge of blending characteristics and formulations, testing procedure for quality control of every ingredients and the need to order MoQ of ingredients which may be a very small part of the formulation.

Revised RDA levels, India, 2020

RDA 2020

Nutrients	RDA for men		RDA for women (not including pregnant, lactating mothers)	
	Old RDA	New RDA	Old RDA	New RDA
Calcium	600mg	1,000mg	600mg	1,000mg
Iron	17mg	19mg	21mg	29mg
Zinc	12mg	17mg	10mg	13.2mg
Vitamin C	40mg	80mg	40mg	65mg
Vitamin D	400IU	600IU	400IU	600IU
Vitamin A	600µg	1,000µg	600µg	840µg
Sodium	2,100mg	2,000mg	1,900mg	2,000mg

Source: https://www.nutraingredients-asia.com/Article/2021/07/26/India-s-new-RDA-rules-see-increase-in-vitamin-A-C-zinc-levels-while-biotin-remains-unchanged#

Application specificity is an important criterion for processed foods, and support for clients is necessary from the premix manufacturer. Varying food matrices may interact with the components differently, requiring support, either by customization of the premix or adjusting the recipe/processing conditions of the food product. Hexagon's DSIR certified R&D facilities can help to navigate this complicated arena by beginning with the design of the premix customised for each application and customer. Matching chemical characteristics between ingredient and product is Hexagon's key strength which helps to creating a stable, tasteless, odourless and miscible/soluble premix which is cost effective and shelf stable.

The global premix manufacturer base is divided into vertically integrated (starting from synthesis of vitamins) and pureplay premix manufacturers. As defined above premixes have a vital role in reaching the vitamins and minerals to the customer and consumer, therefore even key global vitamin manufacturers such as DSM necessarily have to manufacture premixes. Hexagon is the largest customized premix player in India in terms of sales and one of the top 10 players globally.

There are numerous suppliers of individual micronutrients in Europe and Asia, particularly China. Many premixers also exist across the globe.

Competitive strength of the key companies relies on an intimate knowledge of finished product formulations, in addition to a global footprint. Hexagon is able to tick many boxes in this scenario.

Comparison of selected nutritional premix players, 2021

Vitamin/Minerals Premix/ Fortification sector addressed:	Hexagon	DSM	Prinova
Food Fortification	✔	✔	✔
Supplements	✔	✔	✔
Animal Feed	✔	✔	✔
Country global operations	✔	✔	✔
Finished product in portfolio	✔	X	X
Premix specific R&D	✔	✔	✔

Source: Giract research

A brief list of competitors is provided below:

Select list of premix companies, Global, 2020

Company	Headquarters	Company	Headquarters
AQC Chem Lab (P)	India	PD Navkar Bio Chem	India
Beijing Jinkangpu Food Science and Technology	China	Piramal Enterprises	India
Coalescence	USA	Polen Un Ve Gida	Turkey
DSM Nutritional Products	The Netherlands	Prinova Europe	China and USA
Evarom Gida Katki Maddeleri	Turkey	Repco	India
Glanbia Nutritionals	USA	The Write Group	USA
Jubilant lifesciences	India	Ufuk Kimya	USA
Hexagon Nutrition	India	Vitablend	Turkey
NuTaste Food & Drink Labs	India	Nederland	The Netherlands
Miavit Food	Germany	BASG	Germany
Mirpain Gida	Turkey	Corbion	The Netherlands
Mühlenchemie /	Germany	ADM	USA

SternVitamin

Source: Giract, based on research

Hexagon has a core focus in this area, which is not true for the other leading competitors in India. Globally, too, for the largest companies such DSM, Glanbia and Stern, micronutrient premixes are a small part of their ingredient business. This allows Hexagon to have unhindered focus in developing this business. Hexagon is one of the largest licensed suppliers under the UN program for Micronutrient Premixes. Hexagon is also the largest in India in terms of capacity for manufacture of micronutrient premixes.

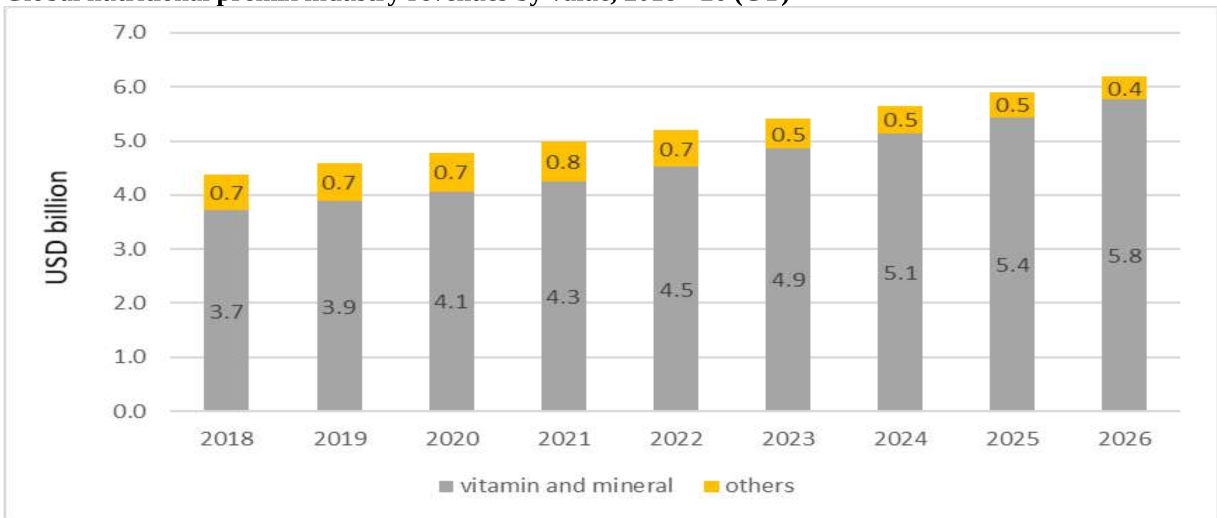
Creating a premix in itself is a technically complicated process. For example, for iron fortification, three different forms (encapsulated, chelated and elemental) of two salts (ferrous sulphate and ferrous fumarate) are required. These iron compounds have individual colour and organoleptic properties which need to be understood before they can be added to a premix and in the final food product. Companies which have the capability to formulate these premixes as well as understand/solve customer problems have greater competitive strength in this market. With a strong R&D team and product lines spanning many food categories, Hexagon has an intimate awareness of and ability to solve customer problems.

Comparison of key micronutrient premix manufacturers, India

Factory/Company	DSM	Piramal	PD Navakar	Hexagon
Focus level on Micronutrient premixes	Medium	Medium	Medium	High
Customized product range	x	x	x	✓

The global premix industry grew from USD 4.4 billion in 2018 to around USD 5 billion in 2020, with vitamin and mineral premixes holding the maximum share. The global market is expected to grow with a CAGR of 4.4% from 2021 till 2026. Developed nations such as the USA, Europe and Japan offer lower volume and value growth potential, as these are already saturated in terms of penetration in the different food sectors/applications. Developing nations offer high growth potential because they are becoming increasingly aware of the importance of nutrition in maintaining healthy economic growth, possess dynamic food processing industries and can spend on public health measures which require fortification micronutrients. Hexagon, as a key exporter from India, can cater to this increasing demand.

Global nutritional premix industry revenues by value, 2018 - 26 (CY)



Source: Giract, based on research

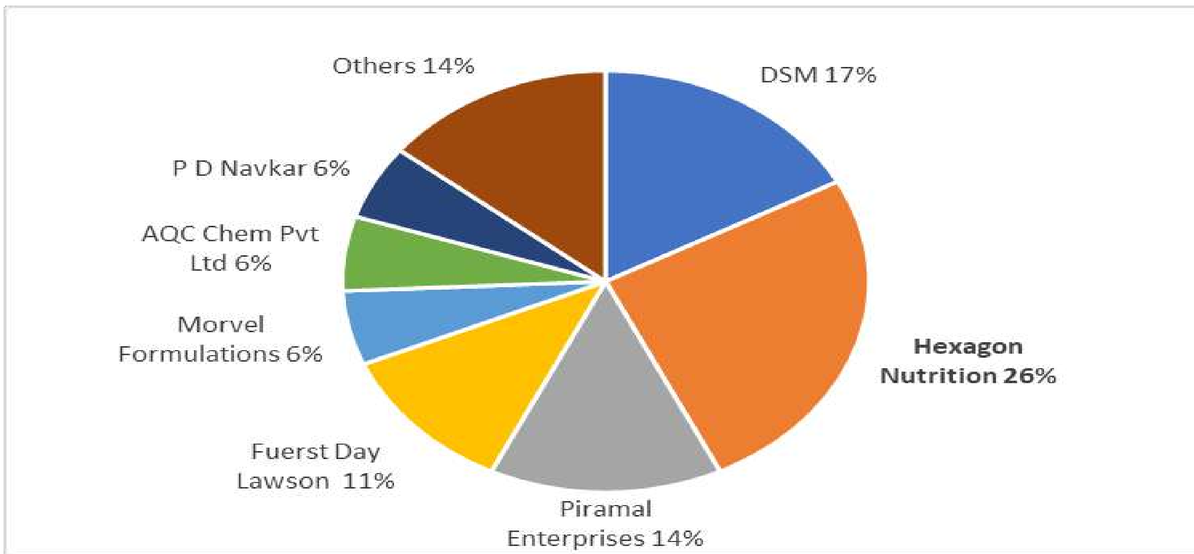
This growth is driven by a number of factors in the market, which directly benefit the players:
Covid-19 has increased consumer requirement for nutritional foods including fortified foods. IFIC's survey of post-Covid food consumption behaviour has shown 54% of all consumers, and 63% of those 50+ care more about the healthfulness of their food and beverage choices in 2020 than did in 2010.

Staple and processed foods are being increasingly industrially produced in many developing economies allowing for standardised and fortified healthy nutritious food, hitherto not possible with artisanal production.

Covid-19 has exacerbated nutritional deficiencies in low and middle income countries among vulnerable demographies, increasing the need for fortified and therapeutic foods.

The Indian market has a number of companies with significant capacities for premix production. Hexagon is a key competitor in India with the largest capacity share.

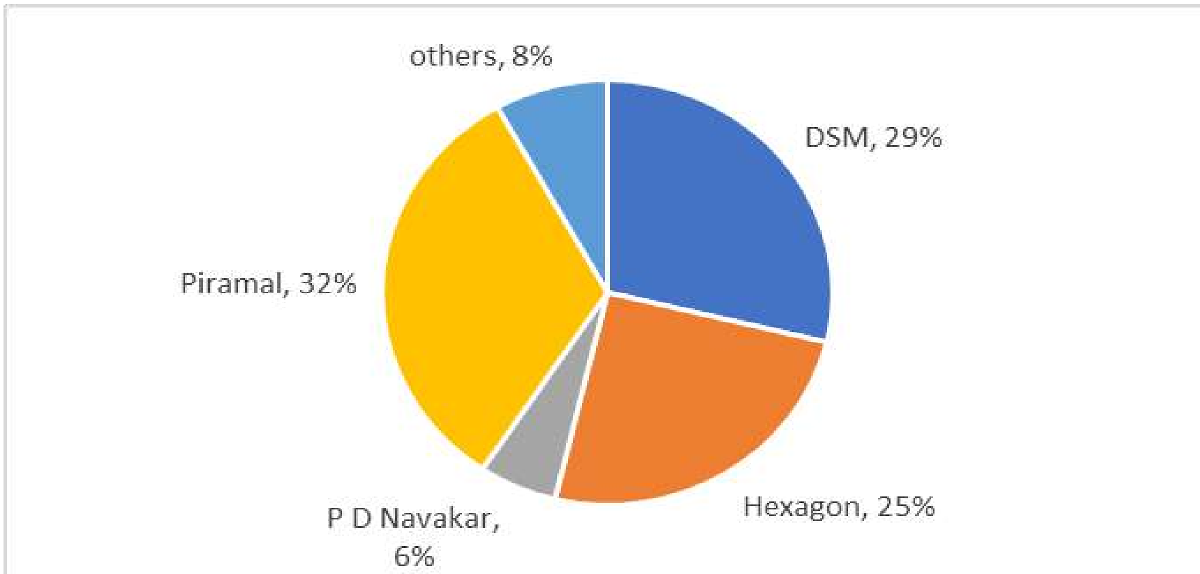
Capacity share of key companies by volume, India, 2020



Source: Giract, based on primary research

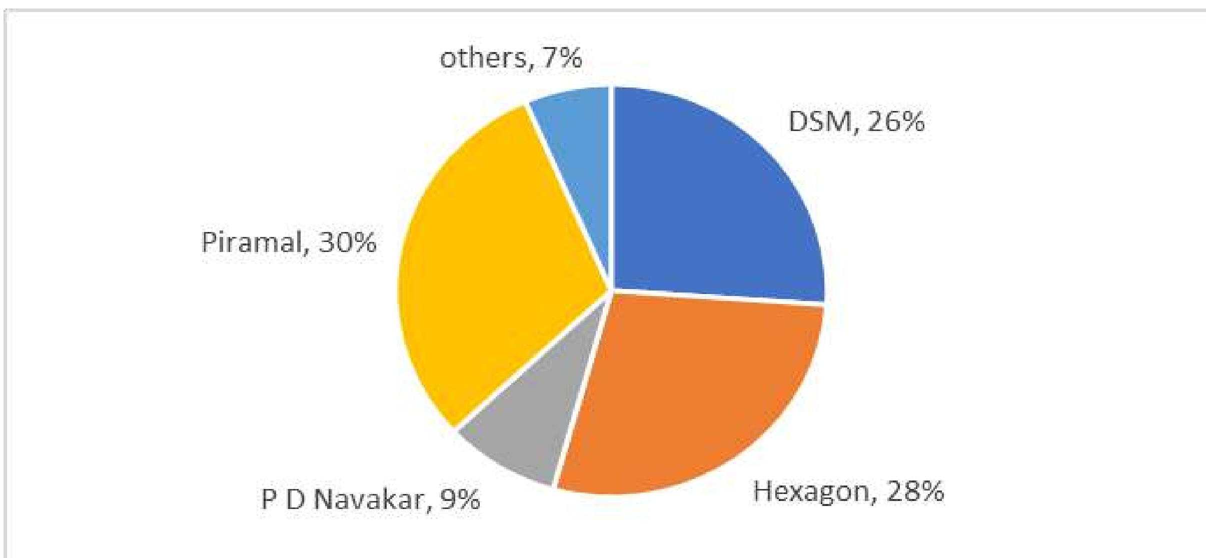
The Indian food fortification premix market has a value of around USD 80 million per annum. Hexagon had a total revenue in 2020 of ~USD 20 million in micronutrient premixes which translates to a ~25% value market share. It is one of the top three companies in India which offers customized micronutrient formulations in the form of vitamins and micronutrient premixes.

Revenue share of companies in the total micronutrient premixes market in India, by value, 2020 (CY)



Exports form a significant proportion of the total Indian revenue at ~USD 45 million per annum. Hexagon exports micronutrient premixes with a value of ~USD 13 million leading to a 28% share of the total exports from India

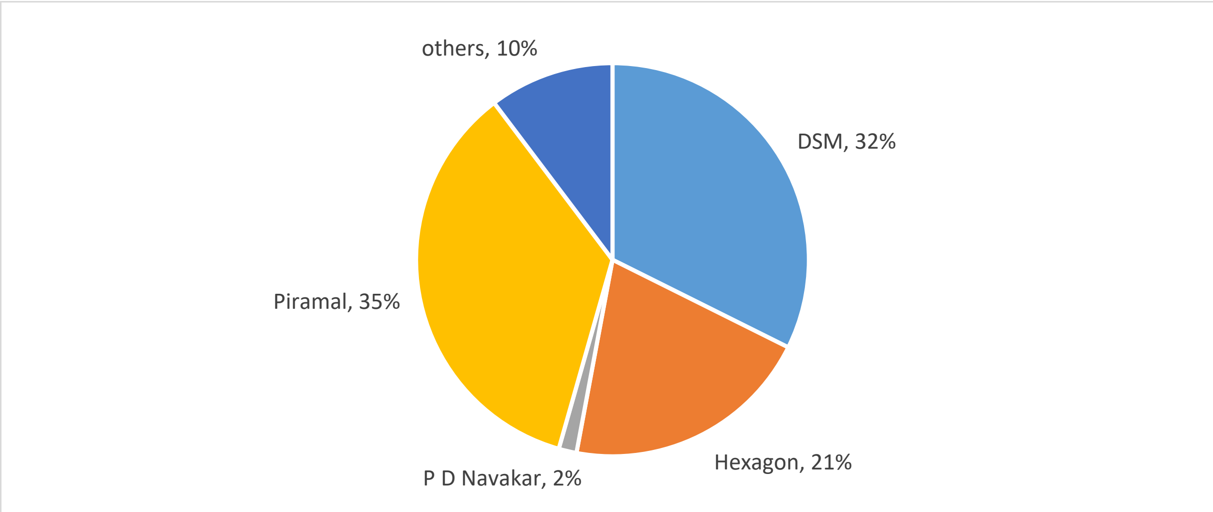
Key exporters of human use micronutrient premixes from India, value share, 2020 (CY)



Source: Giract, based on trade data

Thus, India’s domestic demand for fortification premixes is around ~USD 35 million of which Hexagon has a ~USD 7 million revenue or 21% share.

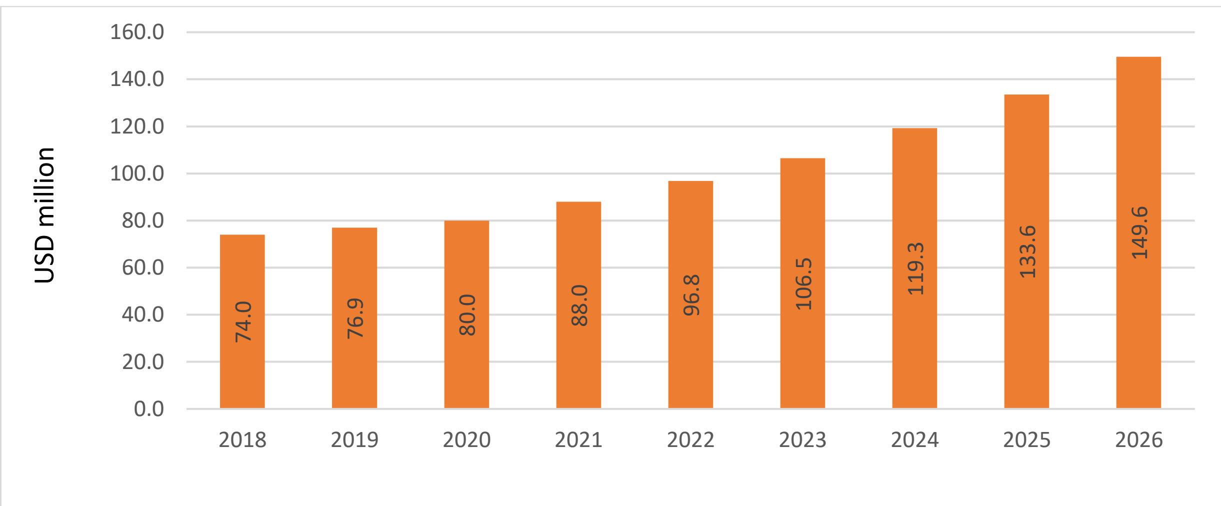
Estimated market share by company in the domestic micronutrient premix market by revenue, 2020 (CY), India



Source: Giract, based on primary research

In all the considered parameters – capacity, total revenue, exports and domestic revenue – Hexagon is among the top 3 competitors in India.

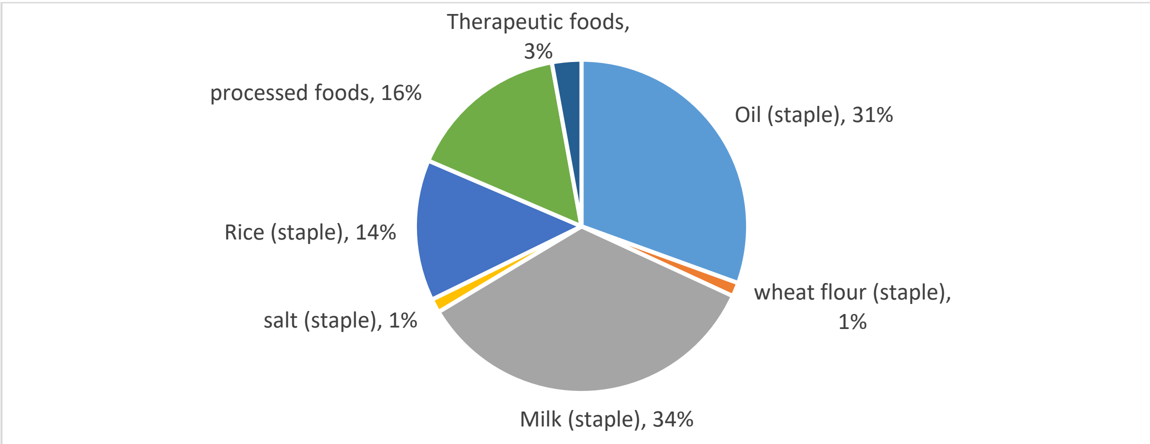
Growth of Indian micronutrient premix market, by value, 2018-2026 (CY)



Source: Giract, based on primary research

This growth in revenue is driven by increase in internal consumption as well as exports. Hexagon is a key exporter based out of India.

Demand share by food sector of micronutrient premixes by value %, India, 2020 (CY)



Source: Giract, based on research

Many of the top companies in the sectors mentioned above are Hexagon's clients. They represent significant market shares with expanding revenues, providing volume and value growth opportunities for Hexagon.

Key players by sector using nutritional premixes, India, 2021

Sector	Key Players
Edible Oil	HAFED; Sanjay Ghodawat Group; AAK Kamani; COFCO INTL; Allana since 1865; Ruchi Soya Industries Ltd.; Gokul Agro Resources Ltd.; adani wilmar; marico; emami; Kriti Group; Kaleesuwari; Parakh Group; Gujarat Ambuja Exports Limited; LDC Louis Dreyfus Company; KSE Limited; Madhuri; Cargill; NGM
Wheat flour	ITC Limited; Jubilant FoodWorks; Sheesh Spices; Annapurna; Nature Fresh Sampoorna Chakki Atta; Samrat; Pillsbury; General Mills

Milk	verka, Vita, Amul The Taste of India, Schreiber Dynamix, Nandini, DANONE, Tetra Pak PROTECTS WHAT'S GOOD, साँची, सरस, Maahi MAAHI MILK, Medha, Haldiram's, milma, MOTHER DAIRY, Nestlé, aavin
Salt	ITC Limited, TATA Salt, NIRMA SHUDH SALT, Hindustan Unilever Limited
Rice	LT Foods, Kohinoor, AK
Functional Foods	BRITANNIA, Cargill, PATANJALI, Nestlé, General Mills, gsk
Health Supplements	Zydus Wellness, OZiva be a better you!, NETSURF, BrightLife, NOVARTIS, Dabur, Amway, DANONE, HERBALIFE NUTRITION
Infant Formula	Reckitt Benckiser, Abbott A Promise for Life, Nestlé, DANONE ONE PLANET. ONE HEALTH
Beverages	TATA CONSUMER PRODUCTS, ITC Limited, Coca-Cola, PEPSICO, Parlé Agro
Other Foods	Mondelēz International, SYMEGA, HERSHEY'S THE HERSHEY COMPANY, Heinz, food buddies

Source: Giract research
Note: Hexagon's clients in each sector are boxed in red

The Biggest Use Sector of Staples Enjoys Legislative Expediency in Implementation of Fortification

Fortified staples are the key demand sector for premixes. According to Food Safety and Standards (Fortification of foods) Regulation 2017, "Fortification" means deliberately increasing the content of essential micronutrients in a food so as to improve the nutritional quality of food and to provide public health benefit with minimal risk to health. "Staple foods" means articles of food intended for mass consumption on a daily basis and include rice, wheat, wheat flour, atta, maida, oil, salt, milk and such other articles of food as may be designated staple foods under these regulations.

Potential for fortification of staples - USD million/%, 2020 (CY)

Staples	Total volume (million tons)	Fortified volume (million tons)	Fortification cost per kilo (INR)	Premix value (INR crore)	Total value (USD million)	Addressable market size (INR crore)	Address-able market size (USD million)
Salt	4.1	0.5	0.07	3.5	0.47	28.7	3.7
Oil	28.8	4	0.2	80	10.7	576	74.8
Milk	146	45	0.02	90	12.1	292	37.9
Wheat	15	0.5	0.07	3.5	0.47	105	13.6
Rice	0.6	0.6	0.6	36	4.8	36	4.7
Total					**28.5**		**134.9**

Source: Giract estimates

Note: Salt fortification estimates are only for double fortified salt. Almost all salt sold in India is already iodized and rice fortification includes only FRK

Salt

Fortification of salt is the most cost-effective way to tackle iodine and iron deficiency as it is consumed universally by all age and income groups across the world. Iron deficiency is the world's largest micronutrient deficiency and causes half of all anemia cases. Double fortified salt (DFS) is table salt fortified with added iodine and iron. Iodized salt is consumed by 80% of India's population every day. Around 4.1 million tons of DFS are required to feed the whole of India annually. Production of premixes in India would currently provide around 500 000 tons of DFS annually. This shows enormous potential of approximately 3.5 million tons of DFS being left to be catered for by premix manufacturers.

Edible oil

India is one of the world's largest edible oil producers producing 36.5 million tons in 2020. 79% of this oil is produced by the organised sector, meaning that 28.8 million tons can be targeted by premix manufacturers. Of these 36.5 million tons, only 4 million tons are fortified.

Wheat flour

The market is valued at INR 20,000 crore in 2020 with the urban market occupying 90% of the demographics. The organised wheat flour milling industry produces roughly 15 million tons of flour every year with the majority of the wheat being milled by the large unorganised sector. Only 3% of all wheat flour produced in India is fortified, representing a value of INR 600 crore.

Rice

Rice is fortified by mixing 10g of fortified rice kernels(FRK) for every kg of rice. The current fortification blending capacity of India is around 1.3 million tons. FRK production has gone up from 7 250 tons to 60 000 tons in the past two years. The centrally sponsored pilot scheme "Fortification of Rice and its Distribution under PDS" alone is budgeted at INR 174 crores for a 3-year period, on which premix manufacturers can capitalise.

Milk

Approximately 15 billion litres of milk are produced annually in India. Of this, 5.4 billion litres are fortified. Organisations such as the National Dairy Development Board (NDDB) and The India Nutrition Initiative (TINI) along with government schemes such as the "Fortified Gift Milk" scheme are aiming to increase the percentage of milk being fortified, providing ample opportunity for premix manufacturers.

Therapeutic Foods Solve a Pressing Global Problem Aggravated Covid -19

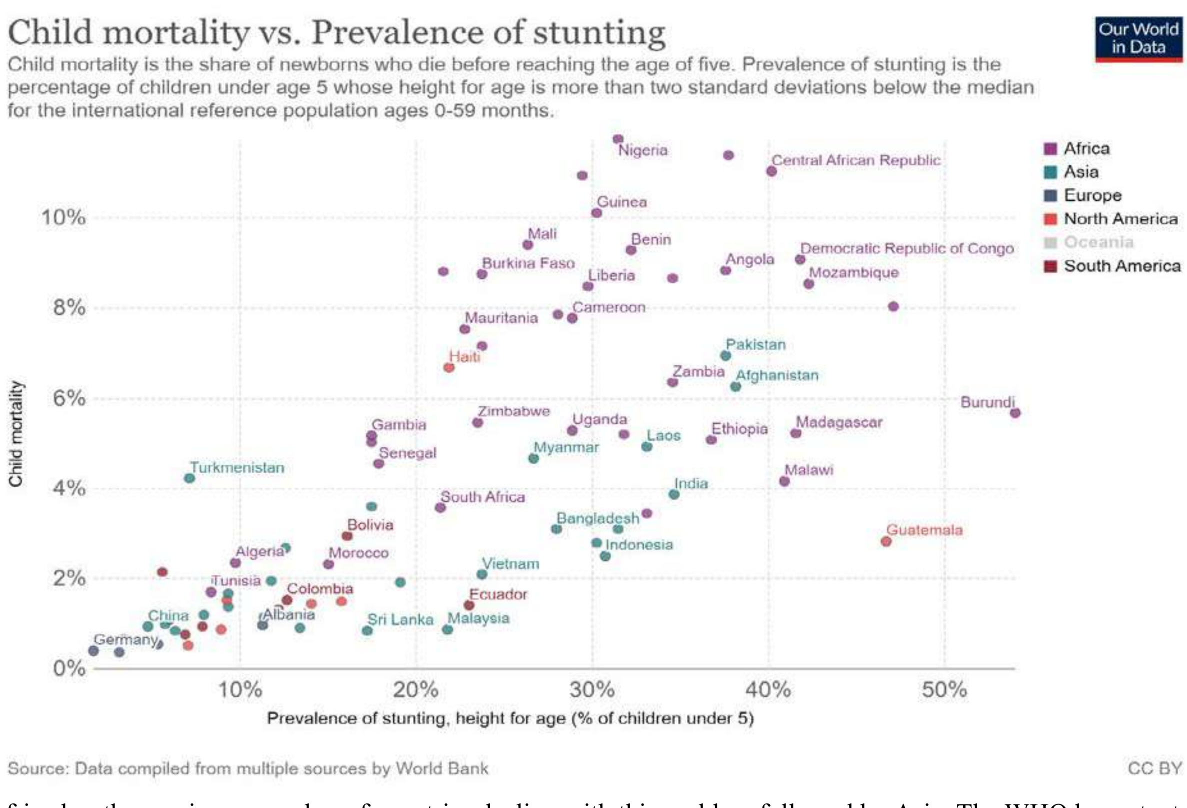
SAM (Severe Acute Malnutrition) is caused by poverty, lack of access to nutritious food, disease and poor hygiene. SAM is characterised by Kwashiorkor and Marasmus, requiring hospital care not always adequately available. The WHO recommends Community based Management of Acute Malnutrition (CMAM) of which RUTF (Ready to use therapeutic foods) are an integral part. RUTF are formulated for the purpose of providing complete nutrition with practical applicability in real life situations. RUTF are usually made with peanut, milk powder, oil, sugar and vitamin/mineral premix. Industrially processed therapeutic milk F100 (100Kcal/ml) and F75 (75kcal/ml) preceded RUTF, but are now used as complementary therapy along with RUTF and RUSF (Ready to use supplementary foods). RUSF are used for moderate acute malnutrition (MAM) in children over 6 months, with continuous use for 2-3 months. This is typically a paste formulated with heat treated oil seeds, pulses, cereals, milk powder, vegetable oils and vitamin/mineral premixes. Similar to RUTF, there is no dilution or mixing of water and is meant for direct consumption.

Other products in this category include vitamin and mineral supplement forms manufactured by the client – sprinkles, tablets, powder, complex vitamins and minerals as well as individual nutrients.

Global stunting can only be reduced by nutritional intervention programs by aid agencies. The United Nations International Children’s Fund (UNICEF), United States Agency for International Development (USAID), Doctors without Borders, Action Against Hunger, and the International Red Cross, in addition to many other aid agencies, procure RUTF to manage cases of SAM.

Global Malnutrition is a Worrying Trend Which Portends Greater Requirement of Therapeutic Foods

The WHO estimates that 149 million children globally were stunted and 45 million were wasted in 2020. Around 45% of deaths of children under 5 is due to undernutrition, mostly in low and middle income countries.



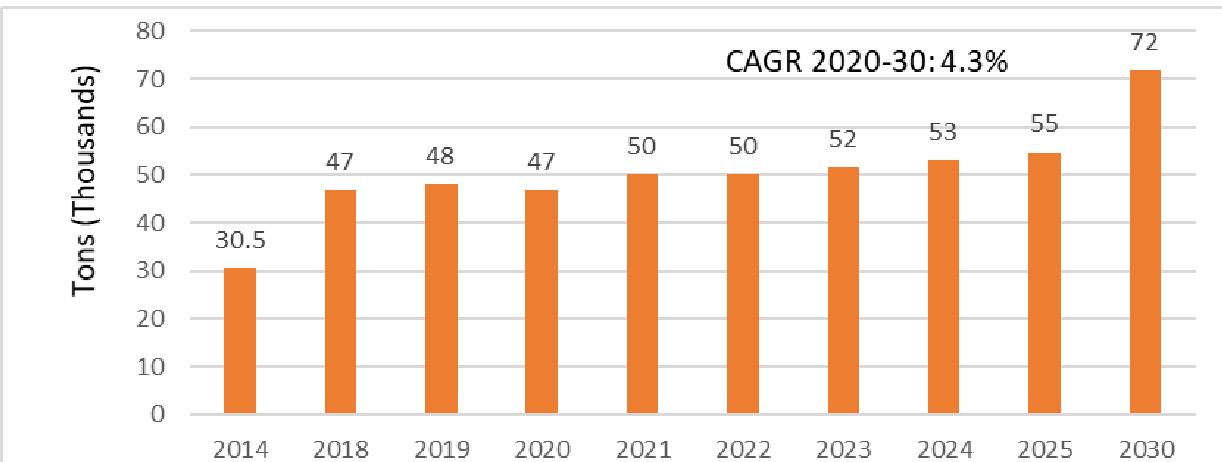
Africa has the maximum number of countries dealing with this problem followed by Asia. The WHO has set a target by 2030 of 40% reduction in the number of children who are stunted. By various estimates, only a small proportion of these children are currently being reached through nutritional intervention programs by aid agencies. Potential for greater consumption of therapeutic foods in Africa and Asia exist.

Institutional Buyers of RUTF are a Reliable Customer Base Offering Immense Volume Growth Potential

RUTF and RUSF are generally not intended for sale in the open market since beneficiaries are not expected to pay for them. Hence, they are largely procured by aid agencies to be distributed through on ground partners to the intended beneficiaries. UNICEF alone procures RUTF through 22 companies based in 15 countries. 56% of the production of RUTF is in Europe. 6 of these companies are based in India. RUSF are largely procured by the World Food Program (WFP). UNICEF and WFP together account for 70-75% of the global procurement of these products.

In 2014, UNICEF procured more than 30 440 tons of RUTF worth USD 112 million, reaching approximately 2.6 million children with SAM. UNICEF procures an estimated 75-80% of the global demand for RUTF, averaging 49 000 tons per year over the 4 years preceding 2020 (46 900 tons in 2020), enabling treatment of 3.5 million children. This is vastly inadequate since it is estimated that globally 19 million children are SAM and approximately 400 000 deaths in children under 5 are a direct consequence of SAM. UNICEF now procures RUTF from 22 different suppliers, of which 16 are located in countries with high levels of malnutrition.

Procurement of RUTF by UNICEF, Global, 2014-18-25-30, tons



Source: UN and forecasts by Giract

In 2017, demand spiked to reach 52 620 tons due to multiple emergencies occurring notably in the Horn of Africa, Nigeria, South Sudan, and Yemen. Since 2016, demand for RUTF has been increasing, which has been beneficial for companies such as Hexagon.

Current Low Coverage of Vulnerable Children Needs to be increased Offering

Various Indian states have individual initiatives to support SAM children using RUTF. India is estimated to have 9 million SAM children with 16 out of 22 states/UTs showing an increase in prevalence of SAM compared to the previous NHFS. Current capacity estimate of 20kt for production of RUTF can only cater to 1.3 million children, showing a need for increase in production capacity.

The absolute numbers for wasting in India are estimated to be 22 million and 9 million children suffering from severe wasting. Only 2-3% of these children are currently being reached. The inclusion of RUTF in the Essential Medicines List (EML) of some countries may lead to a boost in local purchase and stockpiling of such foods. Countries which already include RUTFs in their EML are Zimbabwe, Haiti, Burkina Faso, Cote d'Ivoire, Uganda and Malawi. Nigeria, Ghana and Liberia are in the process of including RUTFs in their EML.

Impact of Covid-19 on the Therapeutic Foods Sector

The therapeutic foods sector was exempted from many of the Covid restrictions due to being considered as an essential business. This sector will always be exempt when mitigating circumstances prevail, ensuring stability in uncertain times.

The pandemic prevented these foods from being distributed to the target population, the results of which are not immediately visible and may take many years to manifest. Access to safe/nutritious/fresh food as well as opportunities for safe physical activity have also been heavily curtailed by the pandemic leading to the expectation that a greater impact on the health of the target population will be felt in a few years. Health issues include overweight and subsequent complications. Governments and aid agencies are aware of this, and efforts to mitigate future problems are being planned.

UNICEF and WFP have partnered to scale up relief programs to improve nutritional status of mother and children that have been left vulnerable by disruptions caused by the pandemic.

Globally RUTF/RUSF are procured by the UN and WFP from 22 companies operating in 15 countries. Hexagon is an emerging leader in the global supply of ready-to-use foods for treatment of malnutrition and supplement nutrition programs.

Key suppliers of RUTF/RUSF to the UNICEF, 2021

Company/Country	Product type
Amul Dairy (Kaira), India	RUTF Paste
Compact, India	RUTF Paste
DABS Nigeria	RUTF Paste
Diva Nutritional Products, South Africa	RUTF Paste
Edesia, USA	RUTF Paste
GC Rieber Compact, Norway	RUTF Biscuits
GC Rieber Compact, South Africa	RUTF Paste
Hexagon, India	RUTF Paste
Hilina, Ethiopia	RUTF Paste
InnoFaso, Burkina Faso	RUTF Paste
Insta Products, Kenya	RUTF Paste
Ismail Industries, Pakistan	RUTF Paste
Mana Nutritive Aid, USA	RUTF Paste
Meds for Kids, Haiti	RUTF Paste
Nuflower Foods and Nutrition, India	RUTF Paste
Nutriset, France	RUTF Paste
NutriVita Foods, India	RUTF Paste
Project Peanut Butter, Malawi	RUTF Paste
Samil Industry, Sudan	RUTF Paste
Société de Transformation Alimentaire, Niger	RUTF Paste

Société JB, Madagascar	RUTF Paste
Soma Nutrition, India	RUTF Paste

Processed Foods in India are a Large Volume Untapped Opportunity for Fortification

Western countries followed the approach of "cheapest calories" for the population till the end of the last century. This approach was meant to provide the consumer with 'cheap and plentiful food', and it was successful – the 'spend on food' came down as a proportion of total household spend. But it failed to protect the consumer from nutritional anomalies (excess calories, lower macro and micronutrients), and shielded the major food producers from their actions. More than one-third (36.5%) of US adults are obese. Reasons given include increased away from home intake, greater use of edible oils and sugar-sweetened beverages along with reduced physical activity and longer sedentary time. The US government and the society as a whole have realised that a high consumption of cheap calories has led to unsustainable nutrition and medical issues. Obesity-related medical costs in the US alone add up to ~USD 150 billion in 2020. This has resulted in a shift from an Economic to a Social approach to food formulations from about the beginning of this century. However, the processed food industry is still struggling to dovetail 'nutrition' to its products. The Biden-Harris administration has committed funding to international food security and nutritional programs to the extent of USD 138 million over the next five years to low and middle income countries.

Select US commitments on funding for international food security and nutrition, 2021

Them	Action
Financing for nutrition in low and middle income countries	USAID with DFC and Eleanor Crook Foundation to mobilise USD 100 million to tackle root cause of malnutrition and food security and to leverage private sector solutions
Food fortification	USD 38 million to fund large scale food fortification with essential vitamins and minerals in partnership with governments, private sector and civil society. Another partnership in addition to this with UNICEF and Bill & Melinda Gates foundation to address malnutrition in low and middle income countries

Source: Adapted from whitehouse.gov

Even India faces this challenge. Obesity is already a problem in India with child obesity and type 2 diabetes having reached dangerous levels. A paper by Kar and Kar (2015) shows that childhood obesity among the higher economic strata in India is close to 6%. 14-18% of all school-going children are now said to be overweight. Studies have shown that increasing the intake of calcium-rich foods in isocaloric diets reduced adiposity, suggesting that a pre-existing calcium deficiency increases the risk of obesity.

Studies have also shown that retinoic acid supplement given to mice reduces adiposity, concluding that pre-existing vitamin A status is also a determinant of obesity. Micronutrient premixes are a convenient and effective way to increase the nutritional status of processed foods.

Per capita annual expenditure on food has been rising since 2012 from ~INR 12 200 to ~INR 18,000 in 2016, to higher levels in 2018. This fell sharply in 2020 due to the pandemic but is promising recovery very soon.

Processed foods occupy 50-60% of this food expenditure. Each processed food sector follows a different approach to increasing the nutritional status of its offerings. Of these, apart from the staples, beverages are a key sector for fortification. The new trend for fortification includes use of L-theanine, GABA (gamma-aminobutyric acid) and melatonin, 5-hydroxytryptophan, magnesium and L-theanine combined with pomegranate, acai and blueberry extracts. For immunity enhancement, Vitamin C and probiotics are popular ingredients.

Chelated iron is found in many packaged bread products, as a result of either flour fortification or addition at the bakery. Premium products can be enriched with vitamins and minerals, and this is currently a high growth trajectory for major bakers. For example, Britannia, one of the leading bakers in India, has 50% of its product portfolio enriched with micronutrients.

The access to nutrition initiative (accesstonutrition.org) has assessed 1456 products from 16 of the largest processed food manufacturers in India, accounting for more than 31% of revenue share of Indian processed food and beverages. 16% of the products (228 of 1456) which were considered healthy, contributed to 27% of the sales revenues of these companies. For 9 of the assessed companies, revenue share of health products went up from 15% in 2016 to 23% in 2018.

Along with staples, the potential for fortification of processed food products, representing a significant chunk of the consumption in India, remains. The Covid-19 pandemic has made consumers increasingly aware of health and nutrition, a trend which is anticipated to boost sales of fortified foods as well as health foods. Hexagon is well placed to address this requirement, which is emerging rapidly in India.

Concluding Remarks

Historic trends in growth of the global health and nutrition markets are currently being reflected in India, driving value growth of health and wellness products. The recovery from the pandemic has been rapid and positive GDP is being correlated with increasing consumer awareness and need for healthy food products and supplements. Public health parameters need to be improved for sustained growth of the country, which is being tackled by the GoI with various measures initiated by the NITI ayog. The overall market for micronutrient premixes across all demand sectors and sales channels, is set for a high growth trajectory in India.

OUR BUSINESS

This section should be read in conjunction with sections titled "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Information" on pages 29, 310 and 223, respectively. Unless otherwise stated, all financial and other data regarding our business and operations presented in this section are derived from our Restated Consolidated Financial Statements.

*Certain information in this section is derived from the report titled "Strategic Market Assessment of nutrition and food fortification 2021-2026" dated December 2, 2021 prepared by Giract (the "**Giract Report**") and "Report on Food Pre-mix Sector in India" dated December 2021 prepared by CARE Advisory Research and Training Limited ("**Care Report**") commissioned by and paid for by us in connection with the Offer. For risks in relation to commissioned reports, see "Risk Factors –Certain sections of this Draft Red Herring Prospectus contain information from the Giract Report and the Care Report, which have been exclusively commissioned and paid for by our Company and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 49.*

In evaluating our business, we consider and use certain key performance indicators that are presented herein as supplemental measures to review and assess our operating performance. The presentation of these key performance indicators is not intended to be considered in isolation or as a substitute for our financial statements, and other financial and operational information included in this Draft Red Herring Prospectus. We present these key performance indicators because they are used by our management to evaluate our operating performance. These key performance indicators have limitations as analytical tools. Further, these key performance indicators may differ from similar information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to our financial statements or as an indicator of our operating performance, liquidity, profitability or results of operations.

In this chapter any reference to 'we' and 'our' is Hexagon Nutrition Limited on consolidated basis and any reference to 'our Company' is to Hexagon Nutrition Limited on a standalone basis.

OVERVIEW

We are a differentiated and research oriented pure-play nutrition company. We are the only holistic nutrition player that offers products across clinical products, micronutrient premixes and therapeutic products. *(Source: Giract Report)* We focus on holistic nutrition products encompassing a wide range of nutritional and nutrition enhancing products. Our product portfolio addresses a broad spectrum of aspects such as fortification of foods, therapeutic nutrition, clinical nutrition and alleviation of malnutrition. We are a fully integrated company engaged, right from product development to marketing including research and development and manufacturing, with a focus on quality. Having started our business in 1993 as a micro-nutrient formulations player, we have moved up the value chain to develop our brands "PENTASURE", "OBESIGO" and "PEDIAGOLD" which are leading names in the health, wellness, and clinical nutrition space *(Source: Giract Report)*. We have presence across India and our products have been exported to around 70 countries.

We classify our products portfolio mainly into the 3 following segments:

1. ***Branded nutrition products/ clinical nutrition products (B2C segment):*** We offer branded wellness and clinical nutrition products encompassing daily nutritional requirement across demographies from pediatric to geriatric nutrition. Additionally, the products in this segment also address nutritional deficiency for chronic as well as non-chronic ailments, including, nutrition support for faster recovery for the hospitalised and critically ill patients. Our PENTASURE brand caters to adult wellness and clinical nutrition, OBESIGO brand caters to weight management and PEDIAGOLD brand caters to pediatric nutrition management. We differentiate our products from our competitors by offering unique whey-based formulations and disease-specific nutritional products. *(Source: Giract Report)* Our branded products are distributed across India through offline and online channels and are exported to around 20 countries.

2. ***Premix formulations (B2B2C segment):*** We are the largest premix player in India and one of the top ten players globally that offer customized micronutrient formulation in the form of vitamin and mineral premixes that are supplied to Indian and multi-national FMCG players for fortification of consumer products including malted health beverages, biscuits, dairy products, spreads, flour and edible oils. *(Source: Giract Report)* Our premixes

are supplied to marquee clients such as Coca Cola India Private Limited, Kaira Dist Co-op Milk Producer Union ("**Amul**"), Dabur India Limited, Marico Limited, Veeba Food Services Private Limited, Zywie Ventures Private Limited ("**Oziva**"), United Biscuits Private Limited, Dodla Dairy Limited, Dukes Consumer Care Limited, LT Foods Limited, Gemini Edibles & Fats India Limited, Govind Milk & Milk Products Private Limited and global customers like The Global Alliance for Improved Nutrition ("**GAIN**"), Nutriset SAS and DPO International Sdn Bhd amongst others. We develop our premixes in conjunction with our clients to preserve the organoleptic properties of the products such as taste and texture while adding to its nutritional value.

3. ***Ready to use foods ("RUFs") and Micro Nutrient Powder ("MNPs") (ESG segment):*** We offer therapeutic foods in two forms:

   a. ***RUFs***: We offer nutrient dense RUFs in paste form which contains added minerals and vitamins to treat malnutrition in children and supplement nutritional requirements of pregnant and lactating women. Our ready to use therapeutic food ("**RUTF**") products are used for treatment of severe acute malnutrition and ready to use supplementary food ("**RUSF**") products are used for treatment of moderate acute malnutrition. Our RUF products are globally supplied through long term arrangements to UNICEF and Rwanda Medical Supply amongst others.

   b. ***MNPs:*** We offer MNPs to international organisations including UNICEF and government bodies such as Rwanda Medical Supply amongst others who endeavor to create a social impact by distributing these products for home food fortification. We are one of the largest licensed suppliers under UN programme for MNPs. *(Source: Giract Report)*

We believe that R&D is critical in maintaining our competitive edge. In order to keep pace with the technological developments in the nutrition industry and to continually enhance our competitive advantages, we place significant emphasis on R&D. Our R&D team comprises of 11 professionally qualified and experienced members and strives to identify and develop new applications, combinations and dosages of active nutrients with beneficial health effects in order to increase our product portfolio. Our R&D team also supports our production department, quality assurance department and regulatory affair department to standardize, control the critical process parameters to meet the highest standards of quality, safety and purity.

We have a pan India omnichannel distribution capabilities supported by our presence across retail pharmacies, hospital networks, prominent e-commerce players and our own websites i.e. www.pentasurenutrition.com and www.obesigo.com which caters to different consumer demands. During the six months ended September 30, 2021, our Company targeted reaching out to around 11,000 healthcare professionals across India through our over 100 member sales force to recommend our brands. Over the years our distribution network has spread to around 25 regional distributors in Latin America, South East Asia, Africa and the Middle East. We have 3 international offices in South Africa, Uzbekistan and Hong Kong. We have exported our products to around 70 countries in the in the immediately three preceding financials years and in the six months ended September 30, 2021, such as South Africa, Malaysia, Ethiopia, France, French Polynesia, Ghana, Indonesia, Kenya, Madagascar, Mozambique, Papua New Guinea, Nigeria, Philippines, Qatar, Russia, UAE, Angola, Mauritius and Brazil. We engage in various marketing initiatives to build brand awareness and brand recall for our products and to grow our market share. In addition to leveraging and engaging our distribution network for marketing initiatives, we also undertake direct promotional initiatives like advertising our products through digital marketing.

We have three manufacturing facilities, in Nasik (Maharashtra), Chennai (Tamil Nadu) and Thoothukudi (Tamil Nadu). These facilities are strategically located offering close proximity to the ports and duty-free imports across Chennai and Thoothukudi which are located in SEZ. Our integrated and well-defined manufacturing processes help us to consistently maintain the quality of the products. We adhere to stringent quality and food safety criteria throughout the production chain from the procurement of raw materials to the finished product. Our manufacturing facilities have received various certifications and accreditations, including the FSSC 22000, Good Manufacturing Practice certification, ISO 9001:2015 Certification and Halal Certification, from various local and international accreditation agencies validating our process and quality consistency.

The demand for functional nutrition is expected to witness significant growth driven in part, by younger professionals with intense lifestyles. Further, the functional beverages sector is driven by young population of dual income household, with a rising income, and growing awareness of healthy eating. India's health and wellness nutrition market was worth USD 10.5 billion in CY 2020 and is estimated to grow at a CAGR of 11.9% till CY 2025. Staple and processed foods are being increasingly industrially produced in many developing economies allowing for standardised and fortified healthy nutritious food. Covid-19 has exacerbated nutritional deficiencies in low- and middle-income countries among vulnerable demographies, increasing the need for fortified and therapeutic food. The Indian food fortification premix market was valued at USD 80.0 million in CY 2020 and is expected to reach USD 149.6 million in CY 2026. The global premix industry grew from USD 4.4 billion in CY 2018 to around USD 5 billion in CY2020 and is expected to grow at a CAGR of 4.4% from CY2021 till CY2026 *(Source: Giract Report)*.

Our Company has also been awarded a number of industry awards including Best Brand 2021 by The Economic Times, 2021, Award of Excellence for Exemplary Work in Food Fortification at Elets National Nutrition Convention in 2021, Best Clinical Nutrition Brand 2019 – ASSOCHAM, Best Healthcare Brand by The Economic Times in 2016 andCertificate of Excellence as clinical nutrition brand of the year for Pentasure at Nutraceutical and Health Awards in 2016. Our Our wholly owned subsidiaries HNIPL and HNEPL have received a number of awards including, Highest Employment in Food and Agro product & misc category Ist Place for 2017-2018, Highest Export in Food & Agro Products & Misc Category – 1st Place for 2017-2018 and 1st place Highest Exports in Food and Agro Products & Misc category for 2016-2017 and 2017-2018 For further details with respect to awards, recognitions and accreditations, please see "*History and Certain Corporate Matters*" on page 176.

Our Company was founded by Arun Purushottam Kelkar and Subhash Purushottam Kelkar who have over 4 decades and 3 decades, respectively of professional and entrepreneurial experience. Before setting up our Company 28 years ago, they worked with companies like Siemens India Limited, Castrol India Limited, Glaxo Laboratories (India) Limited, Ethnor Limited and Super Pharma Private Limited. Vikram Arun Kelkar and Dr. Nikhil Arun Kelkar subsequently joined our Company and have over 17 years and 13 years of industry experience, respectively. Further, Vikram Arun Kelkar and Dr. Nikhil Arun Kelkar are also the Managing Director and Joint Managing Director, respectively, of our Company, who in addition to their overall supervision of our business operations and also oversee relationships with our key institutional customers, distributors and suppliers. The experience of our senior management team has significantly contributed to our success and growth. Our Key Management Personnel have experience and skills related to business operation, risk management, finance, accounts. For further details with respect to our Directors and senior management personnel, please see "*Our Management*" on page 193.

OUR FINANCIAL PERFORMANCE

Some of our key financial parameters are set forth below:

(₹ in million)

Particulars		**Six months period ended September 30, 2021**	**Fiscal 2021**	**Fiscal 2020**	**Fiscal 2019**
Total Revenue		1,248.87	2,099.70	2,038.42	2,306.46
Total revenue from the business segments set out above#	**Branded nutrition products (B2C segment)**	336.61	433.86	489.90	428.48
	Premix formulations (B2B2C segment)	816.10	1,459.70	1,430.84	1,482.75
	RUFs/ MNPs (ESG segment)	76.08	182.86	87.20	375.72
Revenue from top 10 customers		645.76	872.69	747.63	1,071.98
No. of customers in the premix formulation business segment		281	398	422	297
EBITDA		233.86	343.99	296.60	257.37
EBITDA Margin as % of Revenue from Total Revenues		18.73%	16.38%	14.55%	14.16%
Net Debt *		(44.49)	(197.90)	(19.67)	162.79

Particulars	Six months period ended September 30, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
Total Equity	1,530.60	1,380.26	1,167.36	992.47

** Net debt has been defined as (non – current borrowings + current borrowings) – (cash and cash equivalent, bank balance and investment in mutual funds).*
#Above revenue from business segments are excluding of revenue from testing charges, freight charges recovered and other incidental recoveries.

OUR KEY STRENGTHS

We believe that the following are our primary strengths:

Pioneer in micronutrient premix formulations business in the South Asia and the market leader in customised premix formulations in India

We are the only holistic nutrition player that offers products across a whole range starting with micronutrient premixes, right upto therapeutic and clinical products. *(Source: Giract Report)*. We are a fully integrated company engaged, right from product development to marketing including research and development, manufacturing, with a focus on quality control of nutrition products across diversified categories of nutrition products. We are the market leader in customised micronutrient formulation in India and one of the top ten players globally (*Source: Giract Report*) and have been able to extend our expertise to develop a portfolio of branded products. Thus, we cater to diverse aspects of nutrition across the entire value chain of nutrition products and have the ability to cater to the B2C, B2B2C and the ESG Segment. Our differentiation is in our pure-play focus on nutrition. Our ability to understand ingredients as well as finished products allows us to adopt a holistic approach and with the entire nutrition portfolio under one roof gives us a better understanding of nutrition science and helps us develop products with agility.

We believe that the market fundamentals, consumer dynamics in India and the geographies where we operate are conducive for our future growth. For example, India's positive per capita GDP growth, 4% inflation rate, access to traditional and modern nutraceutical ingredients, and increasing consumer awareness of deficiency disease incidence and prevention are driving rapid growth of the clinical nutrition sector. According to a recent consumer survey in 48% of consumers in India say that they would prefer to follow a diet that reduces the risk of lifestyle diseases, such as hypertension and diabetes. India's health and wellness nutrition market was worth USD 10.5 billion in CY 2020 and is expected to grow at a CAGR of 11.9% till CY 2025. In particular, the medical nutrition category stood at USD 5.2 billion in CY 2020 and is expected to grow at a CAGR 17% from CY 2020 till CY 2025. *(Source: Giract Report)*.

We have leading brands in wellness and clinical nutrition

We have some of the leading brands in the health, wellness and clinical nutrition space, addressing consumer needs encompassing wellness nutrition as well as disease specific nutrition and our consumer brands i.e. "PENTASURE", "OBESIGO" and "PEDIAGOLD" are leading names. (*Source: Giract Report*) Revenue from our portfolio of branded nutrition products stood at ₹ 336.61 million in the six months ended September 30, 2021 as compared to ₹ 433.81 million as on Fiscal 2021. Our consumer brands are offered through 17 different products covering both wellness and clinical nutrition (B2C) across a broader set of therapy areas (like diabetic, renal, bariatric, hepatic etc.) as compared to competitors.

Comparison Factors	Hexagon Nutrition	Abbott Nutrition	Nestle Health Science	Fresenius Kabi
# of products - wellness nutrition	10	1	3	1
# of products - disease specific nutrition	7	3	5	-
Access to in-house premix nutritional raw materials	Yes	No	No	No

(Source: Giract Report)

We differentiate our products from our competitors by offering unique whey-based formulations which has higher

Biological Value and higher PDCAAS score of one *(Source: Giract Report)*. While the regulatory approval of nutritional brands across the globe is a difficult and time taking process along with stringent quality standards to be met, we have been successfully able to get approvals for our brands in around 20 countries for our branded nutrition products. The stringent process for obtaining the regulatory approval is a significant barrier to entry for our competitors. Further, the market entry barriers include the licenses and approval from various governmental authorities, development of an extensive distribution network through relationships with dealers as well as significant marketing costs and the establishment of a distinct brand to gain product acceptance. While our consumer brands be purchased directly through various channels, we also have a sales force of over 100 employees that reaches out to healthcare professionals to recommend our brands as well. Our strategic approach in addressing the issues pertaining to market entry barriers has enabled us to foray into new geographies.

Long standing relationships with marquee clients leading to recurring revenues and repeat orders

Over the last 28 years we have established long-standing relationships with marquee domestic consumer companies such as Coca Cola India Private Limited, Kaira Dist Co-op Milk Producer Union ("**Amul**"), Dabur India Limited, Marico Limited, Veeba Food Services Private Limited, Zywie Ventures Private Limited ("**Oziva**"), United Biscuits Private Limited, Dodla Dairy Limited, Dukes Consumer Care Limited, LT Foods Limited, Gemini Edibles & Fats India Limited, Govind Milk & Milk Products Private Limited, and global customers like GAIN, Nutriset SAS and DPO International Sdn Bhd. amongst others.

Our focus on R&D helps us in understanding customer requirements, in providing customized solutions and to deliver high quality and cost-effective products consistently over the years. Typically, it takes 6 months to 2 years in order to develop a customized product. Our long-standing relationships with our customers, has allowed us to be a part of the product development cycle of new products from inception which reflects the confidence reposed in us by our customers and acts as a strong factor in customer retention. This confidence also allows us cross-sell our products across business segments. This also helps us to understand customer's future plans which enables us to forecast, plan and tailor our product offerings accordingly, thereby resulting in business optimization, improved productivity, efficiency and margins.

We have also been able to generate significant repeated business from our premix customers. 50% of our top 10 customers in six month ended September 30, 2021 in the premix formulations have been associated with us for over 5 years. During six months ended September 30, 2021 and financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, revenue generated from customers from our premix formulations with whom we have been associated with for over 5 years ₹427.78 million, ₹543.27 million, ₹440.97 million and ₹448.63 million, respectively, constituting 47.95%, 37.07%, 29.05% and 24.14%, respectively, of our total consolidated revenue from our premix formulations for the same period.

Further, our Company became a member of the Plumpyfield franchise network and we supply RUF premixes Nutriset SAS. We expect our association with Nutriset SAS will facilitate our access to newer markets.

Strong R&D capabilities with focus on innovation

We believe that research and development ("**R&D**") is the genesis of our business and critical in maintaining our competitive edge. We have 2 dedicated in-house R&D facilities located in Nasik and Chennai and a team of 11 professionally qualified and experienced members that helps us to develop customized solutions for our customers. Our Chennai R&D lab is DSIR certified since November 2018. Our ability to design customized solutions helps us in retaining clients. Through our several years of R&D experience we have developed a rich understanding of ingredients used in the premixes and how these ingredients react with our customer's products. This rich understanding helps us create premix formulations which does not impact the organoleptic properties of the end product. Further, our Company has in-house capability for sensory evaluation of our clinical and wellness nutrition supplements. Our Company has a team of employees for sensory evaluation who ensure that the standards and specifications in terms of colour, odour, taste, after-taste, appearance, texture and nutrients of our clinical and wellness nutrition supplements comply with our requirements. Each of our R&D facilities are equipped with modern testing and analytical facilities that are assessed and accredited in accordance with ISO/IEC 17025:2017 standard by NABL, include modern instruments and a microbiological lab which focuses on the development of new products as well as optimizing our manufacturing processes. With our modern equipment, we aim to deliver high accuracy and reduced lead-time of testing. We have also developed a holistic training program to ensure that our R&D team is kept abreast of scientific developments. All our products are tested by our independent quality assurance department that follow stringent and diverse testing criteria.

We have consistently invested in R&D. During the six months period ended September 30, 2021, Fiscals 2021, 2020 and 2019, we have incurred research and development expenditure aggregating to ₹4.72 million, ₹10.08 million, ₹8.89 million and ₹9.22 million, respectively.

Extensive manufacturing capabilities of products with stringent quality and food safety procedures

We have three manufacturing facilities, in Nasik (Maharashtra), Chennai (Tamil Nadu) and Thoothukudi (Tamil Nadu). These facilities are strategically located that offer close proximity to the ports and duty-free imports across Chennai and Thoothukudi which are located in SEZ.

In order to ensure that our products meet the desirable quality standards, we currently manufacture most of our products at our own facilities. Our manufacturing facilities are equipped with advanced equipment, modern technology and automated systems. We are continuously looking to adopt newer technology to improve and increase productivity, efficiency and economies of scale at our facility. We have been continuously increasing our manufacturing capacities to cater to the growing consumer demand and introduce new products in the market.

Our manufacturing infrastructure is complemented by our stringent quality and food safety standards and processes. The quality of our manufacturing facilities is evidenced by the certifications and accreditations, including the FSSC 22000, Good Manufacturing Practice certification, ISO 9001:2015 Certification and Halal Certification that our facilities have obtained from various local and international accreditation agencies validating our process. Further our manufacturing facilities are audited and approved by Intertek on behalf of GAIN for the manufacturing of our products. To maintain the exacting standards that our customers expect, we have well-defined and documented procedures which begins at sourcing of our ingredients and raw materials and extends to safety and hygiene standards. Our sourcing strategy and relationships with our suppliers enable us to ensure consistent quality, competitive pricing and assured quantity in line with the growing demand of our products. We have a team of employees, which helps us in organizing field visits, and obtain quality guidance on selection of raw materials. We are committed to maintaining quality standards at each step of our sourcing cycle and have a set process for evaluating quality of the product at each stage, and unscheduled spot quality checking at our manufacturing facilities. Stringent quality and safety procedures help us in maintaining our brand which also results in customer retention and repeat orders.

MNP Manufacturing Unit

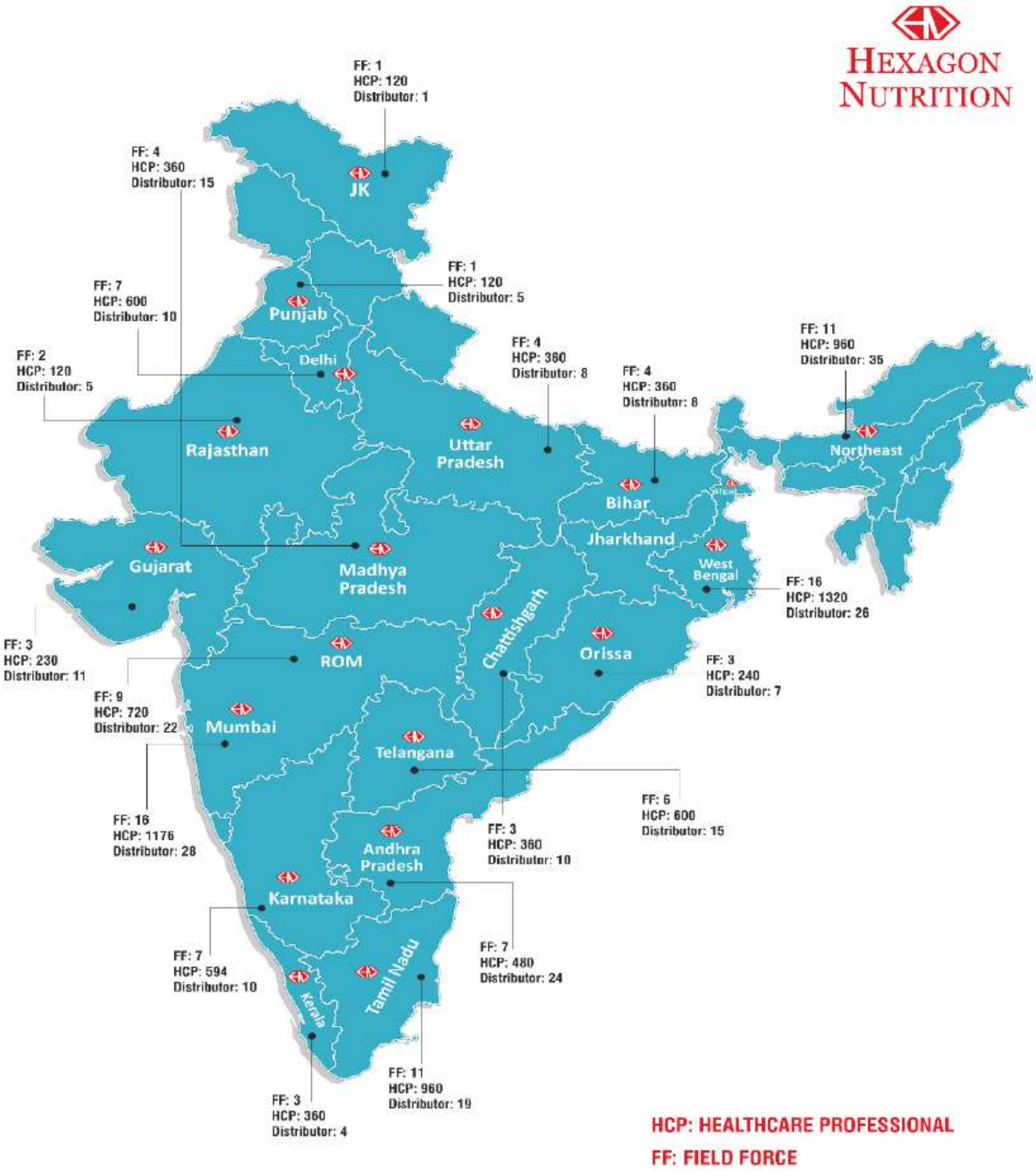
RUF Manufacturing Unit

Nashik R&D Facility

Chennai Storage Facility *Thoothukudi Storage Facility*

Well established pan India omnichannel distribution with presence across various geographies

We have pan India omnichannel distribution capabilities supported by our presences across retail pharmacies, hospital network, prominent e-commerce players like Amazon, online pharmacies like Tata 1mg Healthcare Solutions Private Limited and our own websites i.e. www.pentasurenutrition.com and www.obesigo.com which address different consumer demands. In addition to having pan-India presence, we have been exported our products to over 70 countries. We have established a strong distribution network in India comprising more than 250 distributors. During the six months ended September 30, 2021 9.19 % of our total consolidated revenue was generated from domestic sale of our branded nutrition products through online platforms. During the six months ended September 30, 2021, our Company targeted reaching out to around 11,000 healthcare professionals across India through our over 100 member sales force to recommend our brands. Our premix products have been exported our customers in over 70 countries in the last three years such as South Africa, Malaysia, Ethiopia, France, French Polynesia, Ghana, Indonesia, Kenya, Madagascar, Mozambique, Papua New Guinea, Nigeria, Philippines, Qatar, Russia, UAE, Angola, Mauritius, Brazil amongst others. Our widespread domestic and global presence not only mitigates the risk of dependence on certain regions, but also helps us to leverage our brand value. The below mentioned map of India provides state wise coverage of our distributors and network of healthcare professionals:



Note: The above map is not to scale and not intended to represent the political map of India.

Professional turned entrepreneur promoters with experienced management team and backed by a reputed institutional investor

Our Company is founded by Arun Purushottam Kelkar and Subhash Purushottam Kelkar who have over 4 decades and 3 decades of professional and entrepreneurial experience respectively. Before setting up our Company 28 years ago, they worked with companies like Siemens India Limited, Castrol India Limited, Glaxo Laboratories (India) Limited, Ethnor Limited and Super Pharma Private Limited. Vikram Arun Kelkar and Dr. Nikhil Arun Kelkar subsequently joined our Company and have over 17 years and 13 years of industry experience, respectively.

Our Promoters and Board of Directors includes a combination of management executives and independent directors who bring significant business expertise for the industry in which our Company operates. Additionally, our core management team of qualified and experienced professionals possesses significant experience in the Nutrition industry with decades of hands-on experience in all areas of operations in the industry that our Company currently operates. Our Board is headed by the Chairman and Executive Director, Arun Purushottam Kelkar who has extensive knowledge and expertise in the FMCG sector, manufacturing, marketing and business management. Our Managing Director, Vikram Arun Kelkar and Joint Managing Director, Dr. Nikhil Arun Kelkar provides strategic leadership to our Company and are closely involved in our operations. We believe that our management team's in-depth understanding of target markets and consumer demand and preferences has enabled us to continue to grow our business and expand our operations. Our well-qualified and experienced management team has played a key role in the development of our Company, effective internal controls and accounting policies, strong employee relations, and stable supply chain relationships. Further, we are backed by reputed institutional investor, Somerset Indus Healthcare Fund I Limited, who has invested in our Company in Fiscal 2017.

Track record of growth in financial performance

We have demonstrated consistent growth in profitability. Our restated consolidated profit for the year increased at a CAGR of 24.18% from ₹148.25 million in Fiscal 2019 to ₹228.61 million in Fiscal 2021 and was ₹152.09 million in the six month ended September 30, 2021. We have a consistent track record of paying dividend to our equity shareholders since Fiscal 2019. We have paid dividend for Fiscal 2021, Fiscal 2020 and Fiscal 2019 of ₹ 0.15, ₹ 0.15 and ₹ 0.10 per Equity Share, respectively. For further information refer "*Dividend Policy*" on page 220.

Our EBIDTA Margin has improved from 11.16% in Fiscal 2019 to 16.38% in Fiscal 2021 and for six months ended September 30, 2021 it was 18.73%. Our consolidated net debt has significantly reduced from ₹ 162.79 million in Fiscal 2019 to ₹ (197.90) million in Fiscal 2021, and as on September 30, 2021 it stands at ₹ (44.49) million. Our debt-equity ratio reduced from 0.29x in Fiscal 2019 to 0.15x in Fiscal 2021 and as September 30, 2021 it stands at 0.16x. Our credit rating obtained from ICRA for long term, fund based limit (cash credit and term loans) has improved from BBB+ (rating rationale dated August 25, 2020) to A- (rating rationale dated October 27, 2021). Our credit rating obtained for short term, fund based and non fund based limit has improved from [ICRA]A2 (rating rationale dated August 25, 2020) to to [ICRA]A2+ (rating rationale dated October 27, 2021).

OUR KEY STRATEGIES

Our strategies are focused on the following elements:

Further enhance emphasis on branded nutrition product segment

Our PENTASURE brand caters to adult wellness and clinical nutrition, OBESIGO brand caters to weight management and PEDIAGOLD brand caters to paediatric nutrition management. We believe that our expertise in demonstrating our product and brand differentiation *vis-a-vis* our competitors through our marketing activities is an important factor in attracting consumers. We intend to grow our current branded segments by augmenting our online sales through enhanced digital marketing and exploring newer online platforms. We intend to increase our national footprint by expanding to TIER 2 and TIER 3 cities over the period of next 3-5 years. India's health and wellness nutrition market was worth USD 10.5 billion in CY 2020 growing at a CAGR of 11.9% till CY 2025. *(Source: Giract Report)* We intend to double our sales field force to increase our reach to all major cities and towns in next 5 years. To this end, we intend to continue augmenting our brand visibility through focused marketing strategy, including attractively designed packaging. We intend to deepen our penetration in the geographies wherein our brands are already present. This strategy will enable us to strengthen market share in our existing markets and increase market share in other geographies.

Capitalising on growing nutritional awareness and requirements post Covid-19

Fortification of foods is a global phenomenon and governments around the world are recognising the benefits of fortifying foods. More than 97 countries across the world have mandatory fortification programs for at least one major cereal, 20 countries mandate for at least two, and two countries (USA and Costa Rica) mandate that rice, wheat and maize flours need to be fortified. Covid-19 has exacerbated nutritional deficiencies in low and middle-income countries among vulnerable demographies, increasing the need for fortified and therapeutic foods. *(source: GIRACT report)* We plan to cater to the growing consumer requirements for immunity building and nutritional food including fortified foods by offering new products to the end users. We are already acting on this intent and we already commenced export of fortified rice kernels ("**FRK**") to our existing clients.

International expansion by creating geographical footprints

Our Company continues to expand internationally providing customised fortification solutions to populations across the world. While historically we have had a strong presence in the Indian market, as our Company continues to expand its footprint in new international markets to access a more diversified customer base. We incorporated wholly owned subsidiaries i.e. Hexagon Nutrition Limited Liability Company ("**Hexagon Uzbekistan**") and Hexagon Nutrition (Pty) Limited ("**Hexagon South Africa**"), in Uzbekistan and South Africa in Fiscal 2020 and 2019, respectively. Through these subsidiaries, we aspire to serve the increasing demand for fortification solutions in the Uzbekistan, surrounding CIS countries and to have easy access from South Africa to the rest of the African countries which will help in significantly reducing the logistic cost, transit lead time and import duty. We are in the process of setting up a manufacturing facility in Uzbekistan and expect to commence commercial production in Fiscal 2022. During Fiscal 2021, our Company expanded its exports to France in association with Nutriset SAS, as part of the Plumpyfield franchise network. We propose to setup packaging lines for MNP and expand storage capabilities to keep up with expected demand of our products.

Launch products in new therapy areas/ new delivery systems

Presently, our consumer brands are offered through 17 different products covering both wellness and clinical nutrition (B2C) across a broader set of therapy areas like diabetic, renal, bariatric, hepatic etc. We plan to cater to nutritional products in newer therapy areas like gynaecology, fertility, sexual wellness, healthy ageing etc. Towards this direction, our Company launched fertility nutrition products under the brand names Fertox/ Fertomen and Fertova/ Fertonisa in selected international markets on a pilot basis. We also plan to cater to newer and more attractive delivery systems for nutritional products such as gummies, diskettes and bars.

Company's Products and the Manufacturing Process

Our Product Portfolio

We have a variety of products and the brief details of the primary products manufactured and sold by our Company under various categories are as follows:

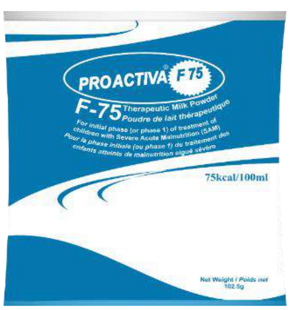
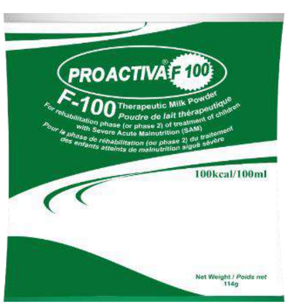
Sr. No.	**Name and Image of the product**	**Product Description**
I.	**BRANDED NUTRITION PRODUCTS/ CLINICAL NUTRITION PRODUCTS**	
1.	**Penta Sure® 2.0** 	PentaSure 2.0 is a nutritional supplement or a primary source of nutrition for patients who are at risk of malnutrition, particularly those with high energy and high protein requirements and/ or fluid restrictions. PentaSure 2.0 comes with high quality whey protein, Medium Chain Triglyceride (MCT) and fibre enriched, low in electrolyte formulation. It helps in achieving protein- calorie intake requirements.

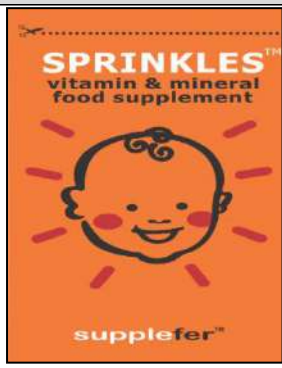
Sr. No.	Name and Image of the product	Product Description
2.	**Penta Sure® DM** 	PentaSure DM is specially designed as balanced nutrition for diabetes care. It has been designed according to the guidelines of the American Diabetic Association (ADA) and the World Health Organization (WHO). With 6 enrichments like Fiber, ALA, DHA, Carnitine, Taurine Inositol, helps reduce Blood sugar spikes.
3.	**Penta Sure®** 	PentaSure is a complete source of balanced nutrition as it offers optimum protein and calories to meet everyday nutrition goals for all age groups.
4.	**PentaSure® HP** 	PentaSure HP is a high quality, whey based protein formula for muscle development. It is enriched with antioxidants and fibre.
5.	**Penta Sure® Fiber** 	PentaSure Fibre is a taste-free, light weight fibre supplement in form of resistant maltodextrin sourced from corn starch. It is highly soluble in nature, it gives a clear solution with water and dissolves in all beverages and soft foods. It has benefits with gastrointestinal motility, relieving constipation, increasing stool volume, preventing postprandial spike in insulin, cholesterol and triglycerides making it a healthy supplement in treatment of GI related disorders, diabetes, heart ailments etc.

Sr. No.	Name and Image of the product	Product Description
6.	**Carboload** 	Carboload is a carbohydrate supplement exclusively designed to support Enhanced Recovery After Surgery (ERAS) Protocol. Oral carbohydrate loading prior to surgery is known to attenuate Insulin resistance, minimize protein & Muscle loss & Improve Patient Comfort.
7.	**PentaSure® Renal** 	PentaSure Renal is an adequate protein calorie dense formula for patients with compromised kidney function but not yet on dialysis. It is whey (high biological value) protein based. PentaSure Renal is low in electrolytes making it an ideal nutrition supplement for patients with compromised kidney Function.
8.	**Penta Sure® DLS** 	Penta Sure DLS is a high protein calorie dense formula for patients on dialysis. It is whey (high biological value) protein based. Penta Sure DLS is low in electrolytes making it an ideal nutrition supplement for dialysis patients.
9.	**PentaSure® Hepatic** 	Penta Sure Hepatic is balanced nutrition formula for liver care. It is whey protein based, enriched with Medium Chain Triglyterides (MCT) and Branched-Chain Amino Acids (BCAA). It is fructose based and safe for diabetes patients.

Sr. No.	Name and Image of the product	Product Description
10.	**PentaSure® Critipep** 	PentaSure Critipep is a predigested formula (peptide based) used for malabsorption and maldigestion conditions. Whey peptide based and MCT based formula. Low in electrolytes and fructose based. Safe for diabetics and ideal for jejunostomy feeds.
11.	**Penta Sure® Immuno Max** 	Penta Sure Immuno Max is immuno nutrition formula which safeguards against infection and helps in boosting immunity with high protein formula & unique blend of 3 immuno nutrients- Arginine, Omega 3 Fatty Acids and RNA Nucleotides. Whey Protein & MCT based formula enriched with fibre & 3 immuno nutrients.
12.	**Obesigo** 	Obesigo is a meal replacement formula used for weight management and bariatric diet management coupled with controlled dietary habits, lifestyle changes and exercise. It is a high protein, low fat, fiber enriched formula for weight management.
13.	**Pedia Gold®** 	Pedia Gold provides complete balanced nutrition for children. Whey protein based enriched with DHA & ARA. Enriched with FOS & 42 vital nutrients. It is available in 3 flavors- Mango, Vanilla, Chocolate.

Sr. No.	Name and Image of the product	Product Description
14.	**Pedia Gold® Plus**  	Pedia Gold Plus is a predigested specialized nutrition for pediatric GI compromised patients with a semi-elemental diet. Whey peptide & MCT based semi elemental diet with small length peptides. It is low in electrolytes.
15.	**Meta Gluta® ZS**  	Immune boosting formula enriched with glutamine, zinc and selenium. It is sucralose based and safe for diabetics It is available in orange flavour.
Sr. No.	**Name and Image of the product (if any)**	**Product Description**
II.	**PREMIX FORMULATIONS**	
1.	 	Premixes are a combination of various micronutrients like Vitamin A, B, C, D, B12, Folic Acid, Iron, Zinc, Calcium, Magnesium etc. customised and produced by us for various industries ranging from beverages, infant nutrition, bakery, dairy, confectionary, nutrition drinks etc.

Sr. No.	Name and Image of the product	Product Description
III.	**READY TO USE FOODS AND MICRO NUTRIENT POWDER**	
1.	**Ready to use therapeutic food** 	Ready-to-use therapeutic food is paste containing skimmed milk powder, peanuts, edible oil, sugar and a premix containing fat-soluble vitamins (A, D, E, K), water-soluble vitamins (B1, B2, B6, B12, C, folic acid, niacin, biotin), essential minerals (sodium, potassium, calcium, phosphorus, magnesium, iron, zinc, copper, selenium, iodine), and fatty acids. They are prepackaged and ready to be consumed immediately without preparation
2.	**Ready to use supplementary food** 	Ready to use supplementary food is a fortified paste made up of sugar, dried skim milk, oil, and a micronutrient premix of essential vitamins and nutrients. It may also include groundnuts (peanuts), oil seeds, and soya. It also includes premix of micronutrients and generally contains fat-soluble vitamins (A, D, E, K), water-soluble vitamins (B1, B2, B6, B12, C, folic acid, pantothenic acid, niacin, biotin), essential minerals (sodium, potassium, calcium, phosphorus, magnesium, manganese, iron, zinc, copper, selenium, iodine), and fats. RUSF is intended for children aged 6 months and older with Moderate Acute Malnutrition (MAM).
3.	**Pro Activa® F-75** 	Pro Activa F-75 is therapeutic milk powder also known as "Starter Diet" given to a SAM child to gain stability. It is made up of milk solids, vegetable fat, sugar, maltodextrin, vitamins and mineral complex for preparation of a liquid diet of approx. 75kcal/100ml. It is given to infants whose bodies are incapable of tolerating regular nutrients.
4.	**Pro Activa® F-100** 	Pro Activa F-100 is a therapeutic milk powder also known as "Catch Up Diet" given to a SAM child for rehabilitating after the child is in stable condition. It is made up of milk solids, vegetable fat, sugar, maltodextrin, vitamins and minerals for preparation of a liquid diet of approx. 100kcal/100ml.

Sr. No.	Name and Image of the product	Product Description
5.		This is Micronutrient Powder composed of multiple nutrients like vitamins and minerals to prevent and treat anemia and micronutrient deficiencies among children between age of 6-59 months who are most vulnerable and at risk. The Sprinkles are available as MNP 5 and MNP 15 containing 5 micronutrients and 15 micronutrients respectively and are packed in 1gm each.

Manufacturing facilities

As on September 30, 2021, we have 3 manufacturing facilities located at below mentioned address:

Sr. No.	Address	Description	Purpose for which the property is under	Property type
1.	Plot No. 92, Unandanagar, Lakhamapur, Dindori, Nasik – 422 202, Maharashtra, India ("**Nasik Facility**")	Manufacturing plant	Manufacturing of premix dry and oil premix clinical nutrition, RUTF and MNP	Owned
2.	Plot No. B11 Phase – 1 MEPZ, Tambaram, Chennai – 600 045, Tamil Nadu, India ("**Chennai Facility**")	Manufacturing plant	Manufacturing of dry powder premix, oil premix and micro nutrients	Leased- valid upto the earlier of December 3, 2024 or validity of letter of allotment
3.	Plot No. 76-77-78, Kombukaranatham Village, Sekkarakudi Post, Thoothukudi District – 628104, Tamil Nadu, India ("**Thoothukudi Facility**")	Manufacturing plant	Manufacturing of dry powder premix and RUTF	Leased- 97 years lease effective 9 April 2014

Our manufacturing facilities have received quality certifications, including certification from Food Safety System (FSSC 22000), Good Manufacturing Practice certification, ISO 9001:2015 Certification and Halal Certification. For details with respect to the certification received by our manufacturing facilities, see '- *Quality Standards and Assurance*' on page 167.

The table below sets out the capacities and capacity utilization of our manufacturing facilities for the last six months period ended September 30, 2021 and the immediately preceding three financial years:

Sr. No.	Financial Year	Description	Premix including dry and oil premix	Clinical nutrition	RUTF/MNP
1	Six months period ended	Installed capacity per month in two shift operation (MT)	736.9	110	119.7

Sr. No.	Financial Year	Description	Premix including dry and oil premix	Clinical nutrition	RUTF/MNP
	September 30, 2021	Actual Production (MT)	194.4	37	34.7
		Capacity Utilisation (%)	26.40%	33.70%	29.00%
2	FY 2020-2021	Installed capacity per month in two shift operation (MT)	649.4	110	89.6
		Actual Production (MT)	210.1	32	33.5
		Capacity Utilisation (%)	32.40%	29.10%	37.40%
3	FY 2019-2020	Installed capacity per month in two shift operation (MT)	524.4	110	89.6
		Actual Production (MT)	280.8	38.5	1.62
		Capacity Utilisation (%)	53.50%	35.00%	1.80%
4	FY 2018-2019	Installed capacity per month in two shift operation (MT)	524.4	110	89.6
		Actual Production (MT)	282.9	35.7	6.9
		Capacity Utilisation (%)	53.90%	32.50%	7.70%

Manufacturing Process

A brief description of the manufacturing process of our products is described as below:

All the raw materials are procured by our Company from approved raw material suppliers. Thereafter samples are drawn by Quality Assurance team ("**QA Team**") and QA number is assigned to each raw material. The QA Team then tests the raw material and issues a report accepting or rejecting the tested raw material. Accepted raw material are individually sifted in the sifter. Subsequently, each raw material is introduced into the blender in the order of priority based on the standard operating procedure (SOP) and master formulae. The blending is carefully monitored for various factors such as duration, temperature, humidity etc. Initially, the vitamin-mineral premix blend and the other ingredients, are blended separately and the individual blends are mixed together in a ribbon blender and colour and flavour is added at the end of mixing. While mixing, the blend is sent for analysis in the QC laboratory for In Process Quality Control tests. Once the blending is completed as per the SOP and BMR, the blended material is unloaded through the discharge valve into an aluminium bag placed in plastic bins and samples are drawn by the QA Team for testing. The sample is evaluated by the QA Team through chemical and microbial analysis and for other physical parameters. On completion of the testing process the product is packed under nitrogen flushing. The packaging materials are labelled with appropriately. Thereafter, quality check tests are performed for each batch and the packed and sealed cartons are then sent to finished goods store and kept ready for dispatch and shipment.

Raw Materials

We use raw materials and ingredients that are reviewed and pre-approved by our QA team, and are compliant with food safety norms. The raw materials we use in the manufacturing of our products include vitamins, whey protein, spray dried corn fat and groundnut base powder, protein concentrate, sunflower oil, maize starch, lactose monohydrate and cocoa powder. Further, packaging materials include preform, laminates, poly packs, labels, plastic caps cardboard, cups and plastic film, among other things.

We source our raw materials from vendors in India as well as overseas. We believe that this helps us reduce our dependence on a few large vendors and thereby minimize risks of supply disruption and cost increases. We obtain significant quantities of our raw materials as required at spot market rate. We order the raw materials in bulk quantities in order to optimise on the cost of purchase and logistics and to ensure constant availability of raw materials for our manufacturing processes.

Our total costs of materials sold were ₹ 1,328.12 millions, ₹ 1,084.13 millions, ₹ 1,136.38 millions and ₹ 643.82 millions in Fiscal Years 2019, 2020, 2021 and six months period ended September 30, 2021, respectively constituting 57.58%, 53.81%, 54.12%, and 51.55%, respectively of our total costs of materials consumed for the same period. Our largest raw material purchase are vitamins, whey protein, MCT powder and spray dried corn fat.

Sales and Distribution

We have pan India omnichannel distribution capabilities supported by our presences across retail pharmacies, hospital network such as Apollo Hospitals Enterprise Limited and Jaslok Hospital and Research Centre, prominent e-commerce players like Amazon, online pharmacies like Tata 1mg Healthcare Solutions Private Limited and our own websites i.e. www.pentasurenutrition.com and www.obesigo.com which address different consumer demands.

For the distribution and sale of our products, we rely on our extensive pan India distribution network of over 250 distributors which enables us to effectively respond to market demand, evolving consumer preferences in our territories, and competitive pressures. Our sales and distribution platform is spread strategically across different parts within our territories and we continue to strengthen our distribution platform in semi-urban and rural areas. The sales and distribution of the products of our Company is coordinated from our registered and corporate office. Our extensive distribution platform enables us to reach a wide range of consumer segments and ensure effective market penetration. In addition, we have over the years significantly expanded our distribution platform and infrastructure.

Marketing and Business Development

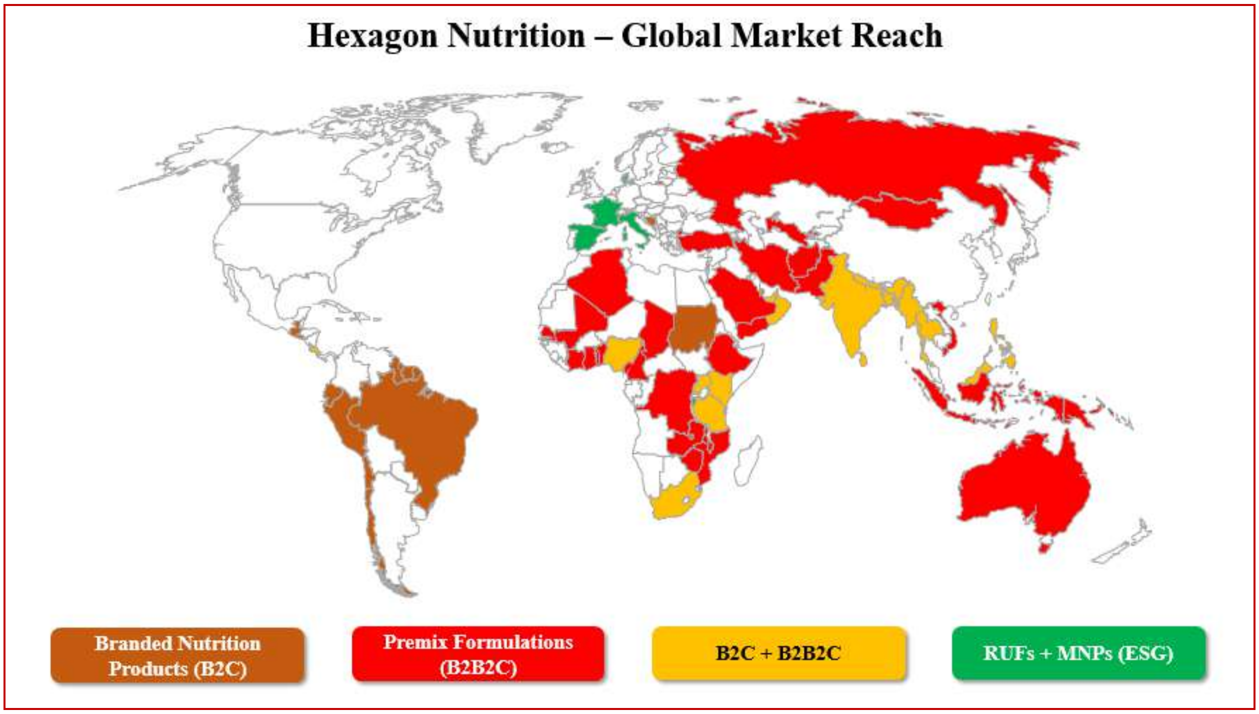
We believe that our products enjoy consumer patronage in our existing markets and have high visibility. We have adopted modern packaging technologies to adapt to changing consumer preferences across all our segments. Our branded products are packaged attractively (with the use of logos, slogans and eye-catching artwork) to increase our brand visibility.

We will continue to increase awareness of our brands amongst consumers by having an integrated marketing approach to target a broad consumer base with frequent and customised messaging and engage consumers at multiple touch points, mass media and social media. We continue to invest in our brands and have used various marketing initiatives which include digital marketing. We believe social media is an important marketing tool and we have invested on various social media platforms and engaged with social media influencers in the fields of health and fitness, and lifestyle and nutrition to create trust in our products and connect with the millennial demographic. For our premix and RUF/MNP segment we continuously participate in global exhibitions and conferences.

Geographical Spread

Our products are available throughout India. We sell our products pan India.

Further, we also sell and distribute our products outside India. We sell our products over 70 countries such as South Africa, Malaysia, Ethiopia, France, French Polynesia, Ghana, Indonesia, Kenya, Madagascar, Mozambique, Papua New Guinea, Nigeria, Philippines, Qatar, Russia, UAE, Angola, Mauritius, Brazil amongst others. The below mentioned map shows the presence of our products in the global market:



Note: The above map is not to scale and not intended to represent the political map of the World.

Product Development

We believe that research and development is critical in maintaining our competitive edge. In order to keep pace with the technological developments in the nutritional industry and to continually enhance our competitive advantages, we place significant emphasis on research and development. We have consistently focused our research and development efforts to improve various aspects of our product development and supply chain such as offering new products to address the evolving consumer preferences, ensuring product safety and efforts to improve profitability.

With wide range of products covering various therapy areas in our Company's portfolio, we have the expertise to develop products that meet the requirements of our customers thereby making product development a significant and critical capability of our Company.

We have launched and/ or introduced products such as (i) Penta Sure Fiber (ii) Carboload and (iii) Penta Sure Whey Protein Max; in the branded nutrition product category in the last three Fiscals.

We rely on our R&D operations to keep pace with our technological developments and to remain competitive in the market. We operate R&D operations from the centers located at Nasik and Chennai and a team of 11 professionally qualified and experienced members that helps us to develop customized solutions for our customers.

Inventory management

In order to be competitive, our Company needs to build and maintain adequate inventory of raw materials and finished goods. Our raw materials and finished products are stored on-site at our manufacturing facilities and warehouse. These inventory levels are planned based on expected orders. We maintain a lead-time material requirement planning system and utilize inventory management software on a real-time basis.

Quality Standards and Assurance

We place great emphasis on quality assurance and product safety at each stage of the manufacturing and packing process, right from the stage of procurement of raw materials and packing materials until the final product is packaged and ready for distribution. We have well defined documented quality system which is monitored at various stages of procurement and processing. Our manufacturing facilities has received following certifications:

Location	Certification	Purpose
Nasik Facility	Food Safety System Certificate FSSC 22000 consisting of ISO 22000:2018, ISO/TS220002-1 2009, ISO 9001:2015 and Additional FSSC 22000 requirement (Version 5)	Manufacturing of micronutrient premix (dry powder and liquid), dietary supplement, sweetener (tablet and powder form), ready to us supplementary food, multivitamin and nutraceutical tablets.
	Good Manufacturing Practice certification	Manufacturing of dry micronutrient premix/ micronutrient powder and liquid micronutrient premix, manufacturing of dietary supplement, manufacturing of ready to use therapeutic food paste and ready to use supplementary food paste and manufacturing of low calorie sweetener (in tablet and powder form), multivitamin and nutraceutical tablets
	Registration certificate from Jamiat Ulama Halal Foundation	Manufacturing of various speciality micronutrients premixes and a number of products from the Pentasure® range of products
Chennai Facility	Food Safety System Certificate FSSC 22000 consisting of ISO 22000:2018, ISO/TS220002-1 2009 and Additional FSSC 22000 requirement (Version 5)	Manufacturing of dry and liquid oil micronutrient premixes.
	Good Manufacturing Practice certification	Manufacturing of dry and liquid micronutrient premixes.
	ISO 9001:2015	Manufacture of dry and liquid micronutrient premixes and food supplements
	Registration certificate from Jamiat Ulama Halal Foundation	Manufacturing of products such as speciality micronutrient premixes of all vitamins, all minerals, small nutrients and amino acids and various other dietary supplements.
Thoothukudi Facility	Food Safety System Certificate FSSC 22000 consisting of ISO 22000:2018, ISO/TS220002-1 2009 and Additional FSSC 22000 requirement (Version 5.1)	Manufacturing of ready to use nutritional foods, infant foods, micronutrient premixes, dietary supplements and nutritional foods.
	Good Manufacturing Practice certification	Manufacturing of infant foods, therapeutic foods, food for special medical purposes, micronutrient premixes, dietary supplements and nutraceuticals.
	ISO 9001:2015	Dietetic foods intended for special medical purposes, (ready to eat therapeutic food RUTP and RUSF), food additives, nutrients and their preparation (micronutrients premixes for food products), nutritional food supplements (MNP powder, healthcare products).

Location	Certification	Purpose
	Registration certificate from Jamiat Ulama Halal Foundation	Manufacturing of various products
	Halal decree by the Indonesian Council of Ulama	Premix of vitamin/mineral/nutrient and its mixture

Our comprehensive quality standards cover the entire value chain, from the purification of water to the production of the finished product. The in-process quality assurance checks are performed which include sampling, line clearance procedures, sensory analysis of products, personal hygiene monitoring, environmental monitoring programmes, etc. We believe that the quality of the products manufactured by us is critical to our success, and we are committed to maintaining quality standards. Our manufacturing and processing infrastructure is equipped with quality control laboratories for testing raw materials and finished products.

Our manufacturing facilities are designed, constructed, maintained and inspected in accordance with applicable food safety standards, laws and regulations. Further, we ensure that the raw materials and ingredients used in our production processes are strictly in compliance with applicable laws and regulations. We also enforce strict hygiene standards for our personnel involved in production activities. We continue to closely monitor our compliance with quality control standards. As at September 30, 2021, we had 43 full-time quality control and assurance personnel which ensures strict compliance to quality standards. We have sophisticated control equipment to monitor the key areas of the production process in our production facilities and as well as testing laboratories within our production facilities. We monitor the functioning of these control systems on a regular basis by strong in process quality checks, and certification agencies and we are inspected regularly by our customers. The quality processes undergo stringent checks like analytical testing from raw materials receipt until finished goods dispatch and throughout supply chain. We also conduct regular trainings (external and internal) for capability improvement of cross-functional teams.

Insurance

Our operations are subject to various risks inherent in the manufacturing industry. We maintain insurance policies for our manufacturing facilities, offices, buildings, machinery, equipment, products, marine cargo or transport, interruption and damage due to fire. We typically maintain fire, burglary and marine cargo policies for our fixed assets and stock of warehouses, to cover risks such as fire and other ancillary perils. We also cover export credit sales through our ECGC policy. We had taken Product Liability for any claim related to products. Further also see "*Risk Factors - Our insurance coverage may not be sufficient or adequate to protect us against all material hazards, which may adversely affect our business, results of operations, financial condition and cash flows*" on page 40.

Human Resources

We believe that the development of employees is the prime responsibility of an organization and its employees are key contributors to its business success. We believe that to maintain the leading position in food and nutrition industry, we require to provide good working culture and competitive compensation packages, to attract and retain talented people.

As of September 30, 2021, we have 471 employees on consolidated level, as set out below:

Department	Number of employees
Management	5
Sales and marketing	147
Production	53
R&D	11
QA and QC	43
Accounts and finance	36
Maintenance	31

Department	Number of employees
Human Resource	12
Purchase and sourcing	6
Other (administrative, IT etc.)	127
Total	**471**

Intellectual Property

As on the date of this DRHP, we have been granted 48 trademarks by the Registrar of Trademarks under the Trade Marks Act, 1999. We have also entered into a trademark license agreement with Ped-Med Limited, Canada for the use, in India, of trademark *'Sprinkles'* a microencapsulated iron and Vitamin A supplement in the form of a MNP**.**

Competition

While there are multiple domestic and global competitors in the industry, we believe we compete effectively on a domestic and international level with other major manufacturers.

We are a pure-play research-oriented nutrition company and the only company that offers products across fortification, therapeutic and clinical nutrition products under one roof. We do not have a direct comparable, however, we do face competition from various domestic and multi-national companies across our Branded Nutrition Products (B2C) and Premix Formulations (B2B).

Direct Competition	-
Branded Nutrition Products (B2C)	Abbott Healthcare Private Limited, Nestle Health Science, Zydus Wellness, Fresenius Kabi
Premix Formulation (B2B)	DSM N.V., Piramal Enterprises, P D Navkar Bio-Chem Pvt. Ltd

("*Source – GIRACT Report*").

We believe that our product offerings in India are competitive. For details with respect to competition prevalent in the nutritional industry, see "*Industry Overview*" on page 116.

Property

In addition to the owned and leased premised in which our manufacturing facilities are located, our registered and corporate office is located at 404 Global Chamber, Adarsh Nagar, Link Road, Andheri (West), Mumbai 400 053, Maharashtra, India.

KEY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to the business of our Company. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the investors and neither designed nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see "Government and Other Approvals" on page 334.

Given below is an indicative summary of certain relevant laws and regulations applicable to our Company. The information in this section has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been provided in a manner to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

I. Laws in relation to our business

A. The Food Safety and Standards Act, 2006 ("Food Safety Act")

The Food Safety Act regulates the manufacture, storage, distribution, sale and import of food products including wines, liquor and alcoholic beverages. Every person involved in the business of carrying out any of the activities related to *inter alia* manufacture, processing, packaging, storage, transportation, or distribution of food is required to procure a license in accordance with the Food Safety Act read with Food Safety and Standards (Licensing and Registration of Food Businesses), Regulations 2011. Pursuant to the Food Safety Act, every manufacturer is required to procure a license by or before August 04, 2012. Pursuant to the Food Safety Act, any manufacturer who is required to obtain a license, manufactures any article of food without a license shall be punishable with imprisonment for a term which may extend to 6 months and also a fine which may extend to ₹ 0.5 million.

B. The Factories Act, 1948 ("Factories Act")

The term 'factory', as defined under the Factories Act, includes any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. State Governments have issued rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act mandates the 'occupier' of a factory to ensure the health, safety and welfare of all workers in the factory premises. Further, the "occupier" of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training and supervision to ensure workers' health and safety; and (iv) cleanliness and safe working conditions in the factory premises. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

C. Legal Metrology Act, 2009 ("LM Act")

The LM Act aims to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. The LM Act and rules framed thereunder regulate, *inter alia*, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the licence under the LM Act. Any manufacturer dealing instruments for weights and measuring of goods must procure a license from the state department under the LM Act. Any non-compliance or violation under the LM Act may result in inter alia a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

D. Legal Metrology (Packaged Commodities) Rules, 2011 ("Packaged Commodities Rules")

The Packaged Commodities Rules lay down specific provisions applicable to packages intended for retail sale, whole sale and for export and import and also regulate pre-packaged commodities in India, inter alia by mandating certain labelling requirements prior to sale of such commodities. Legal Metrology (Packaged Commodities) (Amendment) Rules ("Packaged Commodity Amendment Rules") issued on June 23, 2017 have introduced important amendments to the Packaged Commodity Rules, especially in relation to ecommerce entities. The Packaged Commodity Amendment Rules came into force from January 1, 2018. The key provisions of the Packaged Commodity Amendment Rules are regarding the size of declarations on the label, declaration on e-commerce platforms, declaration of name and address of the manufacturer and fine for contravention.

E. Consumer Protection Act, 2019 ("CP Act")

CP Act came into force on August 9, 2019, replacing the Consumer Protection Act, 1986. It has been enacted with an intent to protect the interests of consumers and to establish competent authorities in order to timely and effectively administer and settle consumer disputes. CP Act provides for establishment of a Central Consumer Protection Authority to regulate, among other things, matters relating to violation of rights of consumers, unfair trade practices and false or misleading advertisements which are prejudicial to the interests of public and consumers. In order to address the consumer disputes 'redressal mechanism, it provides a mechanism (three tier consumer redressal mechanism at national, state and district levels) for the consumers to file a complaint against a trader or service provider. CP Act provides for penalty for, among others, manufacturing for sale or storing, selling or distributing or importing products containing adulterants and for publishing false or misleading advertisements. The scope of the punitive restraint measures employed by the CP Act include monetary penalties for amounts as high as ₹ 5.00 million and imprisonment which may extend to life sentence, for distinct offences under the CP Act.

F. Bureau of Indian Standards Act, 2016 ("BIS Act")

The BIS Act, which was notified on March 22, 2016, has been brought into force with effect from October 12, 2017, repealing and replacing the Bureau of Indian Standards Act, 1986. The BIS Act provides for establishment of Bureau of Indian Standards to take all necessary steps for promotion, monitoring and management of the quality of goods, articles, processes, systems and services, as may be necessary, to protect the interests of consumers and various other stake holders. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. Further, the BIS Act also provides for, among other things, repairing or replacement or reprocessing of standard marked goods or services sold by a certified body but not conforming to the relevant Indian Standard.

G. Bureau of Indian Standards Rules, 2018 ("BIS Rules")

Further, the Ministry, vide notification no. G.S.R. 584(E) dated June 25, 2018, has notified the BIS Rules. The BIS Rules have been notified in supersession of the Bureau of Indian Standards Rules, 1987, in so far as they relate to Chapter IV A of the said rules, and in supersession of the Bureau of Indian Standards Rules, 2017 except in relation to things done or omitted to be done before such supersession. According to the BIS Rules, the Bureau shall establish Indian Standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian Standards so established as may be necessary.

H. The Essential Commodities Act, 1955 ("ECA")

The ECA gives powers to the Central Government, to control production, supply and distribution of trade and commerce in certain essential commodities for maintaining or increasing supplies and for securing their equitable distribution and availability at fair prices or for securing any essential commodity for the defence of India or the efficient conduct of military operations. Using the powers under it, various ministries/ departments of the Central Government have issued control orders for regulating production, distribution, quality aspects, movement and prices pertaining to the commodities which are essential and administered by them. The State Governments have also issued various control orders to regulate various aspects of trading in essential commodities such as food grains, edible oils, sugar and drugs. Penalties in terms of fine and imprisonment are prescribed under the ECA for contravention of its provisions.

I. The Electricity Act, 2003, ("Electricity Act") and The Electricity Rules, 2005 ("Electricity Rules")

The Electricity Act regulates and governs the generation, transmission and distribution of electricity in India, including by specification of safety standards in relation to the same. The Electricity Act also controls the transmission and use of electricity, including through specifying action to be taken in relation to any electric line or appliance under the control of a consumer, for the purpose of eliminating or reducing the risk of personal injury and damage to property. Pursuant to the Electricity Act, every licensee must supply electricity only through the installation of a correct meter in accordance with the regulations as prescribed by the Central Electricity Authority. The Central and State Electricity Regulatory Commissions, are empowered to adjudicate upon matters relating to any non-compliance in this regard. Additionally, the Electricity Act levies penalties, including imprisonment, for tampering with electricity meters and for the use of unauthorized electricity meters.

II. Laws related to Environment

A. The Environment (Protection) Act, 1986, as amended ("EPA") and the Environment (Protection) Rules, 1986

The EPA is an umbrella legislation in respect of the various environmental protection laws in India. Under the EPA, the GoI is empowered to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for, inter alia, laying down standards for the quality of environment in its various aspects, laying down standards for emission of discharge of environment pollutants from various sources as given under the Environment (Protection) Rules, 1986, inspection of any premises, plant, equipment, machinery, examination of manufacturing processes and materials likely to cause pollution among others. Penalties for violation of the EPA include fines up to ₹ 0.10 million or imprisonment of up to five years, or both. The imprisonment can extend up to seven years if the violation of the EPA continues. There are provisions with respect to certain compliances by persons handling hazardous substances, furnishing of information to the authorities and agencies in certain cases, establishment of environmental laboratories and appointment of Government analysts.

B. The Air (Prevention and Control of Pollution) Act, 1981, as amended ("Air Act") and in force from time to time

The Air Act has been enacted to provide for the prevention, control and abatement of air pollution. The Air Act was enacted with a view to protect the environment and surroundings from any adverse effects of the pollutants that may emanate from any factory or manufacturing operation or activity. It lays down the limits with regard to emissions and pollutants that are a direct result of any operation or activity. Periodic checks on the factories are mandated in the form of yearly approvals and consents from the corresponding State Pollution Control Boards. Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. The State Pollution Control Board is required to grant consent within a period of four months of receipt of an application, but may impose conditions relating to pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board.

C. The Water (Prevention and Control of Pollution) Act, 1974, as amended ("Water Act")

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, which is empowered to establish standards and conditions that are required to be complied with. In certain cases, the State Pollution Control Board may cause the local Magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines, or imprisonment, or both.

D. The Hazardous and Other Wastes (Management and Trans boundary Movement) Rules, 2016, ("Hazardous Wastes Rules")

The Hazardous Wastes Rules impose an obligation on every occupier of a facility generating hazardous waste for safe and environmentally sound handling of hazardous waste generated at such facility. Every person engaged in generation, processing, treatment, packaging, storage, transportation, use, collection, destruction, conversion, offering for sale and transfer of hazardous waste, must obtain an approval from the applicable State Pollution Control Board. The occupier, the importer, the transporter and the operator of disposal facility are liable for damages to the environment or third party resulting from the improper handling and disposal of hazardous waste.

E. Public Liability Insurance Act, 1991 ("Public Liability Act")

The Public Liability Act, as amended, imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substance. A list of hazardous substances covered by the Public Liability Act has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. This amount is payable to the insurer.

III. Laws related to Labour

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the Industrial Disputes Act, 1947, Contract Labour (Regulation and Abolition) Act, 1970, Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Trade Unions Act, 1926 the Payment of Bonus Act, 1965, Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 and the Maternity Benefit Act, 1961, among others.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

a. Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.

b. Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes and simplifies the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

c. Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act ,1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the employee's provident fund and the employee's state insurance corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees suffer, among others.

d. Occupational Safety, Health and Working Conditions Code, 2020, which amends and consolidates laws regarding the occupational safety, health and working conditions of persons employed in an establishment. It subsumes various enactments including, among others, the Factories Act, 1948 and the Contract Labour (Regulation and Abolition) Act, 1970.

While certain portions of the Code on Wages, 2019, have now been enforced by the Ministry of Labour and Employment, the remainder of these codes shall become effective on the day that the Government shall notify for this purpose.

IV. Laws related to Intellectual Property Rights

A. The Trade Marks Act, 1999, ("Trade Marks Act")

The Trade Marks Act, which came into force on December 30, 1999, along with the rules and regulations made thereunder, govern the law pertaining to trade marks in India. A trade mark is essentially any mark capable of being represented graphically, which distinguishes goods or services of one person from those of others, and includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours, or any combination thereof. In India, trademarks enjoy protection under both statutory and common law. Registration of a trade mark grants the owner a right to exclusively use the trade mark as a mark of goods and services and prevents the fraudulent use of marks in India.

The Trade Marks Act permits the registration of trade marks for goods and services. Certification trademarks and collective marks can also be registered under the Trade Marks Act. The Registrar of Trade Marks is the authority responsible for, among other things, registration of trademarks, settling opposition proceedings and rectification of the register of trade marks. The Trade Marks (Amendment) Act, 2010, has been enacted to cover Indian nationals as well as foreign nationals to secure simultaneous protection of trade marks in other countries. The Trade Marks (Amendment) Rules, 2013, were enacted to give effect to the Trade Mark (Amendment) Act, 2010

V. Other Laws

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, and other applicable statutes imposed by the Centre or the State Government and authorities for our day-to-day business and operations. Our Company is also amenable to various central and state tax laws, such as the Income Tax Act, 1961, the Customs Act, 1962 and relevant goods and services tax legislations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as '*Hexagon Chemoils Private Limited*', a private limited company under the Companies Act, 1956 at Mumbai, Maharashtra, pursuant to a certificate of incorporation dated May 27, 1993 issued by the RoC. The name of our Company was changed to '*Hexagon Nutrition Private Limited*' pursuant to a special resolution of the Shareholders of our Company dated December 30, 2005 and a fresh certificate of incorporation dated January 10, 2006 was issued by the RoC. Subsequently, our Company was converted into a public limited company, pursuant to a special resolution of the Shareholders of our Company dated October 14, 2021 and the name of our Company was changed to '*Hexagon Nutrition Limited*' and a fresh certificate of incorporation dated November 15, 2021 was issued by the RoC.

Change in the Registered Office of our Company

As on date of this Draft Red Herring Prospectus, our registered office is located at 404 Global Chamber, Adarsh Nagar, Link Road, Andheri (West), Mumbai – 400 053, Maharashtra, India. Further, our Company does not have relevant information for change in the address of the registered office since its incorporation. For further information, please refer to risk factor "*Our Company was incorporated in 1993 and certain documents filed by us with the RoC and certain corporate records and other documents, are not traceable. While we have conducted a search with the RoC, in respect of the availability of such forms and other records, we cannot assure you that such forms or records will be available at all or any time in the future*." on page 43.

Main objects of our Company

The main objects of our Company as contained in our Memorandum of Association are:

1. *To carry on the business as Manufacturers, Traders, Dealer, Wholesalers, Exporters, Sellers, Importers, Buyers in all kinds of Food and Food Ingredients, Additives, Nutrition, Wellness and Healthcare Products (Consumable and Non – Consumable), man-made fiber, Child and Women Development Products, Herbal Products, Micronutrient Premixes and other Food Items for consumption by Human, Animal/ Veterinary, products to prevent malnutrition, Plants growth nutrients and Pharmaceutical Products in Liquid, Powder, Granules, Pastes, Tablets, Capsules and all such forms, Surgical Items, Medical Equipments, Packaging Materials and Packaging Machinery for Domestic and Export Markets.*

1(a) *To manufacture, market and sell in domestic or international market and import or export pharmaceutical and products or clinical product or food product for human or animal usage and ingredients manufactured by third party in any form including either on P to P basis or Loan License basis or such other form as may be in the interest of the Company.*

The main object clause and objects incidental or ancillary to the main objects contained in the Memorandum of Association enable our Company to undertake its existing business.

Amendments to our Memorandum of Association

Set out below are the amendments that have been made to our Memorandum of Association, in the ten years preceding the date of this Draft Red Herring Prospectus:

Date of change/ shareholders' resolution	Nature of amendment
September 6, 2013*	Clause III(1) and (1) (a) of the MoA was amended to read as follows: "*1. To carry on the business, as Manufacturers, Traders, Wholesalers, Exporters, Sellers, Importers, Buyers in all kinds of Food and Food Ingredients, Additives, Nutrition, Wellness and Healthcare Products, Herbal Products, Micronutrient Premixes and other*

Date of change/ shareholders' resolution	Nature of amendment
	Food Items for consumption by Human, Animal/ Veterinary, Plants growth nutrients and Pharmaceutical Products in Liquid, Powder, Granules, Pastes, Tablets, Capsules and all such forms, Surgical Items, Medical Equipments, Packaging Materials and Packaging Machinery for Domestic and Export Markets." *"1 (a). To manufacture and sell in domestic market and export pharmaceutical products and ingredients manufactured by third party either on P to P basis or Loan License basis."*
September 29, 2014*	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹ 50,000,000 comprising 50,000,000 Equity Shares of ₹ 1 each to ₹ 150,000,000 comprising 150,000,000 Equity Shares of ₹ 1 each.
March 4, 2015*	Clause III(1) of the MoA was amended to read as follows: "*1. To carry on the business as Manufacturers, Traders, Wholesalers, Exporters, Sellers, Importers, Buyers in all kinds of Food and Food Ingredients, Additives, Nutrition, Wellness and Healthcare Products (Consumable and Non – Consumable), Child and Women Development Products, Herbal Products, Micronutrient Premixes and other Food Items for consumption by Human, Animal / Veterinary , Plants growth nutrients and Pharmaceutical Products in Liquid, Powder, Granules, Pastes, Tablets, Capsules and all such forms, Surgical Items, Medical Equipments, Packaging Materials and Packaging Machinery for Domestic and Export Markets."*
December 1, 2015	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹150,000,000 comprising 150,000,000 Equity Shares of ₹ 1 each to ₹ 200,000,000 comprising 150,000,000 Equity Shares of ₹ 1 each and 50,000,000 preference shares of ₹ 1 each.
November 9, 2016	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company form ₹ 200,000,000 comprising 150,000,000 Equity Shares of ₹ 1 each and 50,000,000 preference shares of ₹ 1 each to ₹250,000,000 comprising 150,000,000 Equity Shares of ₹ 1 each and 100,000,000 CCPS of ₹ 1 each.
	Clause V of the MoA was amended to reflect the reclassification of the authorised share capital of our Company form ₹250,000,000 comprising 150,000,000 Equity Shares of ₹ 1 each and 100,000,000 CCPS of ₹ 1 each to ₹250,000,000 comprising of 125,000,000 Equity Shares of ₹ 1 each and 12,500,000 CCPS of ₹ 10 each.
October 14, 2021	Subsequent to the conversion of the Company from private to public, Clause I of the MoA was amended pursuant to the change in name of the Company from '*Hexagon Nutrition Private Limited*' to '*Hexagon Nutrition Limited*'.
	Clause III (a) "*The main objects to be pursued by the Company on its incorporation are*" of the MoA was amended to read as follows: *"1. To carry on the business as Manufacturers, Traders, Dealer, Wholesalers, Exporters, Sellers, Importers, Buyers in all kinds of Food and Food Ingredients, Additives, Nutrition, Wellness and Healthcare Products (Consumable and Non – Consumable), man-made fiber, Child and Women Development Products, Herbal Products, Micronutrient Premixes and other Food Items for consumption by Human, Animal/ Veterinary, products to prevent malnutrition, Plants growth nutrients and Pharmaceutical Products in Liquid, Powder, Granules, Pastes, Tablets, Capsules and all such forms, Surgical Items, Medical Equipment's, Packaging Materials and Packaging Machinery for Domestic and Export Markets.* *1(a) To manufacture, market and sell in domestic or international market and import or export pharmaceutical and products or clinical product or food product for human or animal usage and ingredients manufactured by third party in any form including either on P to P basis or Loan License basis or such other form as may be in the interest of the*

Date of change/ shareholders' resolution	Nature of amendment
	Company." Clause III (b) "*The objects incidental or ancillary to the attainment of the main objects are*" of the MoA was amended to read as follows: 1. To undertake consultancy in the field of advising, managerial, technical expertise/ know-how including liaison services in food and food ingredients, additives, Nutritional products, health care products, Vitamin Premix Veterinary products including user's facilities such as health care centers. 1a. To apply and participate in and procure and complete all Tenders, Proposals, Bids, offers, etc. (in relation to attainment of the Main Object) of any Body Corporates, Firms, NGO's, Government or any other entity in India or Abroad. 2. To promote, form or join in promoting for forming any company or companies having same objects for the purpose of acquiring all or any of the property, rights, liabilities of this Company. 3. To carry on Research and Development on food and food Ingredients, Additives, Nutrition, Wellness and Healthcare Products (Consumable and Non – Consumable), Child and Women Development Products, Herbal Products, Micronutrient Premixes and other Food Items for consumption by Human, Animal / Veterinar , Plants growth nutrients and Pharmaceutical Products in Liquid, Powder, Granules, Pastes, Tablets, Capsules and all such forms.* 4. To pay out of the funds of the company, all costs, charges and expenses if any incidental to the formation and registration of the Company and any such other company and of and incidental to the negotiations between the promoters preliminary to the formation of the company and other expenses of an also all costs, charges, duties impositions and expenses of and incidental to the accomplishment of all or any formalities which the company may think necessary or proper in connection with any of the matter aforesaid 5. To apply for, promote and obtain any privilege, concession, license or authorization of any Government, State or any other authority in India or outside India for enabling the company to carry any of its objects into effect or for extending any of the powers of the company or for effecting any modifications of the constitution of the company or for any other purpose which may seem calculated directly or indirectly to prejudice the interest of the Company. 6. To enter into arrangement for rendering and obtaining technical services and/or technical collaboration with individuals, firms or body corporates, whether in or outside India. 7. To provide for the welfare of persons employed or formerly employed by the company or any predecessors in business of the company and the wives, widows and families of such persons by grants or moneys or other aid or otherwise as the company may think fit. 8. To subscribe to or otherwise aid benevolent charitable, national, public or other institutions or objects of a public character or which have any moral or other claims to support or aid by the company by reason of the locality of its operations or otherwise.

Date of change/ shareholders' resolution	Nature of amendment
	9. To carry on the business of the cold storage, ware house keepers and stores of nutrition, wellness and healthcare products, commodities, goods or articles in refrigerators, refrigerating chambers, ice chambers, or otherwise and to do the business of ice makers, ice vendors, manufacturers, hirers of and dealers in refrigerators, refrigerating chambers and apparatus relating thereto in which the Company is authorized to carry on business. * 10. To carry on the business of caning, farming, poultry, agriculturalists, dairy farmers, horticulture, floriculture, sericulture, purveyors, winnowers, and to plant, cultivate, grow, produce, garden and raise all kinds of crops including cash crops, food grains, oil seeds, fruits, flowers, seed, nuts, vegetable, sugar cane, beverages and all other agricultural products to prepare, preserve, manufacture, crush and render marketable such produce and to buy, sell, export, import and deal, trade, process in all such things and products made there from.* 11. To manufacture, buy, sell, improve, treat, preserve, fine, collect, abrade, purify, mineralize, bottle and otherwise deal in mineral aerate water, sherbet, artificial water, juices health drinks and other liquids of every description whether pure, mixed or adulterated* 12. To carry on the business of bottlers, bottle makers, bottle stopper makers and as manufacturers, dealers, importers, packers, exporters, and traders in cardboards, packing materials, packing, wrappers, wrappings, linings, and coverings of all materials including cloth and plastic material and plastic and all other substitutes whether synthetic or not for any of the materials aforesaid including the manufacture of the containers, boxes pails, canisters and requisites. * 13. To carry on the business of setting up, establishing, acquiring, developing and maintaining, either individually or as joint venture with any governmental or semigovernmental organizations/company/firm/individual/consultant, whether local or foreign, food parks, industrial parks, special economic zones, industrial areas, industrial estates, cold chain etc. for setting up of nutrition, wellness and healthcare products, food, beverages, agro and allied industries in India to secure and assist, in the growth and development of industries, providing infrastructure facilities and other essential facilities required for entrepreneurs in starting up a nutrition, wellness and healthcare products, food, beverages, agro and allied industries for the purpose.* 14. To apply for, take out, obtain, purchase or otherwise acquire and turn to account any copyrights, licenses, concessions, patent rights or inventions, privileges, trademarks or secret processes which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit this Company and to use , exercise , develop, or grant licenses, in respect of or otherwise turn to account the property right or information to acquire and to expend money in experimenting upon and testing and improving or seeing to improve any patent rights, inventions, discoveries, process or information of the Company or which the Company may acquire or propose to acquire.* 15. To acquire and take over as a going Concern by purchase of , or on lease and to undertake to carry on the whole or any part of the Business together with the goodwill and trade name, and property rights and liabilities of any person or persons, firm or any Company carrying on any Business, any part of the purposes of which is within the Objects of the Company or which the Company is authorized to carry on or

Date of change/ shareholders' resolution	Nature of amendment
	possessed of property suitable for the purpose of the Company and to pay for the same by shares, debentures, debenture-stock , bonds, cash or otherwise and to conduct and carryon on liquidate and wind up any such business.* 16. To amalgamate, enter into foreign or Indian technical and/or financial collaboration, partnership or into any arrangements, for sharing or dealing in profits, union of interest, co-operation, joint venture, reciprocal concession, or otherwise with any person , firms, corporation or government or Company carrying on or engaged in or about to carry on or engage any Business, undertaking or transaction which the company is authorized to carry on or engage in or any business, undertaking or transaction which may seem capable of being carried on or conducted so as directly or indirectly to benefit the company and to lend money, to guarantee the contractors or otherwise assign any such person , firm or company and to take or otherwise acquire and hold ,re-issue with or without guarantee or otherwise deal with the same.* 17. To enter into, make and perform contracts and arrangements, of every kind and description with body corporate, State or central Government, or any other national or international authorities or any companies, firms or persons that may seem conducive to all or any of the Company's objectives and to obtain from any such authority any rights privileges, charters, contracts, concessions, licenses or purchase and sale of any kind of goods, machinery , spare parts, securities, shares, stocks, debentures, etc., which the Company may think desirable to obtain and to carry out, exercise and comply with such arrangement , rights, privileges and concessions. 18. To sell, sublet, mortgage, lease, manage, develop, exchange, dispose of or transfer the business, immovable or moveable property and undertaking of the company, including its uncalled capital, or any part there of or any part of property, rights and concessions of the Company in such manner and upon such terms and conditions and for such consideration as the company may think fit to accept and in particular for cash, shares, debentures, debenture stock, bonds ,or securities of any other company having objects altogether or in part similar to those of this company.* 19. To lend or deposit surplus moneys belonging to or entrusted to or at the disposal of the Company to such person, firm or company and on particular to customers and others having dealings with the company with or without security upon such items as may be thought proper and invest to or otherwise employ such moneys in such manner as Company may think proper and from time to time, and to vary any such transaction. The Company shall not carry on Banking Business as defined under the Banking Regulations Act, 1949. * 20. To invest and deal with the surplus moneys of the Company not immediately required, in immoveable and moveable properties, shares, stocks, bonds, debentures, obligations and/or other securities or any company or association or in Government securities or in current or deposit account with banks or in the mortgage of immoveable properties of any tenure or on the pledge of moveables or in any other manner as may from time to time, sell or vary all such investments and execute all assignments, transfers, receipts, and documents that may be necessary in that behalf.* 21. To advance and/or to lend surplus money, either with or without security and generally to such persons, firms, associations, trusts, corporations, companies, etc., upon such terms and conditions as the Company may think fit. *

Date of change/ shareholders' resolution	Nature of amendment
	22. To give guarantee for the performance or discharge of any obligations, liabilities, duties or the payments of money by any person, firms, and companies or Governments of State and to give indemnities. *
	23. To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes. Bonds, debentures, debenture-stock, contracts, mortgage, charges, obligations, instruments and securities of any company or of any such authorities, supreme, municipal, local or otherwise or of any persons whomsoever whether incorporated or not, and generally to guarantee or become sureties for the performance of any contracts or obligations. *
	24. To insure any of the persons, properties, undertakings, contracts, guarantees or obligations of profits of the Company of every nature and kind, in any manner whatsoever. *
	25. To acquire and hold the benefits and obligations of any other Company with a third party under any agreement or contract including foreign technical and financial collaboration agreements relating to any industry or business which the company is authorized to carry on. *
	26. To invite and receive or without any such invitation receive any gifts of immoveable or moveable property and offerings or voluntary donations or bequests and legacies either from shareholders or from any other person for all or any of the Objects of the Company with or without any special conditions, provided such receipts or the conditions attached are not inconsistent with or derogatory to any of the Objects of the Company. Subject to any such conditions as aforesaid, all such gifts, donations, grants, offerings, legacies and bequests, including lands, buildings and other moveable and immoveable properties shall be treated as forming part of the property of the Company and be applied accordingly. *
	27. To adopt such means of makings known the business products of the Company as may seem expedient and in particular by advertising in the press, radio television etc., by circulars, posters, by purchase and exhibition of works of art or interest, by publication of books, periodicals and by granting prizes, awards and donations (including donation to any fund for charitable or public purposes.) *
	28. To promote, form and register and aid in promotion, formation and registration of any Company or companies, subsidiary or otherwise for the purpose of acquiring all or any of the property, undertaking, rights and liabilities of such company or for any other purpose which may seem directly or indirectly calculated to benefit the Company and to be interested in or take or otherwise acquire, purchase, hold, sell or otherwise dispose of shares, debentures and other securities in or of any such company or any other company for all or any the objects mentioned in this Memorandum and to subsidies or otherwise assist any such company and to undertake the management and secretarial or other work, duties and business of any such company on such terms and conditions as may bearranged.*
	29. To create any deprecation fund, reserve fund, sinking fund, insurance fund, dividend equalization fund, capital redemption fund or any other special fund whether for depreciation or for repairing, improving, extending or maintaining any of the property of the Company or for redemption of debentures or redeemable preference shares or for any other purpose whatsoever conducive to the interest of the Company. *

Date of change/ shareholders' resolution	Nature of amendment
	30. Subject to the applicable provisions, if any, to borrow or raise money with or without security or to receive money on deposits at interest, or otherwise, in such manner as the company may think fit and in particular by the issue of debentures or debenture-stock perpetual or otherwise, including debentures or debenture stock convertible into shares of this or any other company and in security of any such money so borrowed, raised or received to mortgage, pledge or charge the whole or any part of the property, assets or revenue of the company present or future including its uncalled capital and to purchase, redeem or pay off any such securities.* 31. To do the above things and such things, as are incidental or may be conducive to the attainment of the Objects or any of them in any part of India or elsewhere and as principals, agents, contractors, trustees or otherwise and either alone or in conjunction with others. Clause III (c) was deleted completely.
	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹ 250,000,000 comprising 125,000,000 Equity Shares of ₹ 1 each and 12,500,000 CCPS of ₹ 10 each to ₹ 275,000,000 comprising 150,000,000 Equity Shares of ₹ 1 each and 12,500,000 CCPS of ₹ 10 each.

**Our Company does not have relevant board resolutions for alteration of our Company's Memorandum of Association. For further information, please refer to risk factor "Our Company was incorporated in 1993 and certain documents filed by us with the RoC and certain corporate records and other documents, are not traceable. While we have conducted a search with the RoC, in respect of the availability of such forms and other records, we cannot assure you that such forms or records will be available at all or any time in the future." on page 43.*

Major events and milestones

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

Calendar Year	Details
2020	Incorporated a wholly owned subsidiary in Uzbekistan and Hong Kong China.
2020	Acquired a wholly owned subsidiary in South Africa
2018	Received approval of UNICEF for production of Micro Nutrient Powder (MNP)
2017	Received DSIR approval from Government of India for R&D Facility at Chennai.
2016	Investment by Somerset in our Company
2013	Received in principle approval for grant in aid from Indian Council of Agriculture Research (ICAR) for setup of food testing laboratory.
2009	Launched our flagship brand "Pentasure".
2004	Started second manufacturing unit in Chennai SEZ (MEPZ) to facilitate imports and increase exports.

Key awards, recognitions and accreditations

The below table sets forth some of the awards, recognitions and accreditations received by our Company

Calendar Year	Awards, recognitions and accreditations
2021	Award of Excellence for Exemplary Work in Food Fortification at Elets National Nutrition Convention.
	Awarded Best Brand 2021 by the Economic Times

2019	Best Clinical Nutrition Brand 2019 - ASSOCHAM
2016	Awarded our Company for scoring in the top 100 in overall evaluation of Financial and Non Financial parameters at India SME 100 Awards, presented by Axis Bank
	Recognised as Best Healthcare Brand by The Economic Times
	Certificate of Excellence as clinical nutrition brand of the year for Pentasure at Nutraceutical and Health Awards
2015	Awarded Best Nutraceutical Company of the Year at the Healthcare and Fitness Leadership Awards.
	Certificate of Excellence as dietary supplement company at Nutraceutical and Health Awards.
	Awarded SME Business Excellence Awards 2015 by Karur Vysya Bank – Dun and Bradstreet.

Significant financial or strategic partnerships

Our Company does not have any significant financial and strategic partners as on the date of this Draft Red Herring Prospectus.

Time/cost overrun

We have not implemented any projects and have therefore not experienced any instances of time/ cost overrun in the setting up of any projects.

Launch of key products or services, capacity/ facility, location of plants, entry in new geographies or exit from existing markets

For details of launch of key products or services by our Company, capacity/ facility creation, location of plants, entry in new geographies or exit from existing markets to the extent applicable, see *"Our Business" on page 149*.

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

There are no defaults or rescheduling/restructuring of borrowings availed by our Company from financial institutions or banks.

Details regarding material acquisition or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years

Except as stated below, our Company has not made any material acquisitions or divestments of any business or undertakings, and has not undertaken any mergers, amalgamations or revaluation of assets in the last 10 years:

1. Scheme of merger amongst Hexagon Logistics Private Limited, Hexagon Vitachemie Private Limited, Nivia Biotech Private Limited (collectively referred to as "Transferor Companies") and Hexagon Nutrition Private Limited ("Transferee Company") and their respective shareholders and creditors dated April 1, 2015 ("Scheme I").

Our Company being the Transferee Company entered into a scheme of merger under Sections 391 to 394 of the Companies Act, 1956, with the Transferor Companies and their respective shareholders and creditors. The objective of the Scheme I was, *inter alia*, as follows:

a. Forward and backward integration of operations;
b. Synergy benefits arising out of single value chains;
c. Simplification of management structure, leading to better administration and a reduction in costs from focused operation efforts, rationalisation, standardisation and simplification of business processes and the elimination of duplication and rationalisation of administrative expenses.
d. Simplification of shareholding structure and reduce shareholding tiers; and
e. Direct and indirect tax efficiencies.

The Scheme I, *inter alia*, provided the following:

a. The merger of the Transferor Companies with the Transferee Company pursuant to the Scheme shall take place with effect from the appointed date i.e. April 1, 2015.
b. The amalgamation of the Transferor Companies with the Transferee Company in accordance with the Scheme will be in compliance with the provision of Section 2(1B) of the Income Tax Act, 1961, such that:

   i. All the properties of the Transferor Companies, immediately before the amalgamation, shall become the property of the Transferee Company, by virtue of the amalgamation; and

   ii. All liabilities of the Transferor Companies, immediately before the amalgamation, shall become the liabilities of the Transferee Company, by virtue of the amalgamation.

c. As the Transferee Company is the sole shareholder of the Transferor Companies, the shares of the Transferee Company in the Transferor Companies will stand cancelled as a result of the merger and no new shares will be issued or payment be made in cash whatsoever by the Transferee Company in lieu of such shares of the Transferor Company.

d. The merger is not and does not arise as a result of the acquisition of the property of the Transferor Companies by the Transferee Company pursuant to the purchase of such property by the Transferee Company or as a result of the distribution of such property to the Transferee Company after the winding up of the Transferor Company.

The High Court of Bombay *vide* its order dated May 5, 2016 approved the Scheme I. Subsequently, the Transferor Companies and the Transferee Company filed inter alia a copy of the said order of the High Court Bombay in form INC 28 with the RoC.

2. ***Scheme of Arrangement between Hexagon Nutrition Private Limited (HNPL or Transferee Company) and Nutralytica Research Private Limited (NRPL or Transferor Company) and their respective shareholders dated December 7, 2020 in terms of Sections 230 to 232 with other applicable provisions of Companies Act, 2013 ("Scheme II").***

Our Company being the Transferee Company has filed a scheme of arrangement by absorption and dissolution of the Transferor Company in terms of Section 230 to 232 and other applicable provisions of Companies Act, 2013 before National Company Law Tribunal, Mumbai ("**NCLT Mumbai Bench")**

The Scheme II, *inter alia* provides the following:

a. The whole undertaking of the Transferor Company including assets, investments and properties and employees, shall stand transferred and deemed to be transferred to and vested in the Transferee Company. Any statutory licenses, permissions, approvals or trademarks held by the Transferor Company required to carry on transactions shall be vested to the Transferee Company.
b. All debts, liabilities, contingent liabilities, duties, and obligations and legal proceedings shall stand transferred to the Transferee Company.
c. As the Transferee Company is the sole shareholder of the Transferor Company, there shall be no further issue and allotment of shares pursuant to the approval of Scheme II.
d. The authorised share capital of Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of Transferee Company including payment of stamp duty and fees paid to Registrar of Companies, by the authorised share capital of Transferor Company upon the Scheme II becoming effective.

The Scheme II, *inter alia* provides for the following accounting treatment:

- All assets, liabilities and reserves recorded in the books of account of the Transferor Company shall be transferred and recorded in the books of the Transferee Company pursuant to the Scheme II, at their existing carrying amounts and in the same form.;
- The balance of the statement of surplus in profit and loss account of the Transferor Company should be aggregated with the balance of the profit and loss account of the Transferee Company;

- Loans, advances or payables or receivables of any kind, held inter-se, if any between the Transferee Company and the Transferor Company (including share application money, if any) as appearing in their respective books of accounts shall stand cancelled as on the appointed date
- The Transferee Company shall record in its books of accounts, all transactions of the Transferor Company in respect of assets, liabilities, income and expenses, from the appointed date to the effective date of Scheme II;
- All costs and expenses incurred, and other costs incidental to finalization of the Scheme II and to put it into operation and any other expenses or charges attributable to the implementation of the Scheme II shall be charged to profit and loss in the books of Transferee Company as under; and
- Any profit /loss arising pursuant to amalgamation under Sections 230-232 of Companies Act, 2013 read with other applicable provisions, shall be given effect under the books of accounts of the Transferee Company in the form of reserves.

Scheme II is subject to the approval by the requisite majorities of the members and creditors of the Transferor Companies and Transferee Company, sanctioned by the NCLT Mumbai Bench, approvals required by law and certified copies of the order of NCLT Mumbai Bench being filed with the Registrar of Companies, Mumbai, Maharashtra.

As on the date of this Draft Red Herring Prospectus, the final order from the NCLT, Mumbai Bench on Scheme II is awaited.

Details of shareholders' agreement

Except as disclosed below, there are no subsisting shareholders' agreements as on the date of this Draft Red Herring Prospectus.

Share Subscription Agreement and Shareholders' Agreement both dated November 8, 2016 by and amongst our Company, Arun Purushottam Kelkar ("Promoter 1"), Subhash Purushottam Kelkar ("Promoter 2"), Vikram Arun Kelkar ("Promoter 3"), Dr. Nikhil Arun Kelkar ("Promoter 4" with Promoter 1, Promoter 2 and Promoter 3 refereed as Promoters), Anuradha Arun Kelkar ("Promoter Group 1") and Aditya Kelkar ("Promoter Group 2" together with Promoter Group 1referred as "Promoters"), Somerset Indus Healthcare Fund I Limited ("Somerset" or "the Investor") and Mayur Sirdesai ("Mayur" together with Somerset "Somerset Group" or "Investors"), as amended.

Our Company has entered into the Share Subscription Agreement dated November 8, 2016 ("**SSA**") with the Shareholders Agreement ("**SHA**") of even date for subscription and allotment of securities of our Company to the Investors. In accordance with the terms of the SSA, certain investments were made in the Company by Somerset and Mayur aggregating to ₹ 250 million by subscribing to (i) 12,135,056 and 73,156, respectively, compulsorily convertible preference shares of face value of ₹ 10 each ("**CCPS**") at a premium of ₹ 10.48 each CCPS; and (ii) 1,000 and 100, respectively, equity shares having face value of ₹ 1 each ("**Equity Shares**") and a premium of ₹ 19.48 each Equity Share.

The SHA confers certain rights and obligations amongst the Parties. It imposes restrictions on the transfer of CCPS by our Company or the Promoters and Promoter Groups until the date of the Qualified Initial Public Offering ("**QIPO**") without the prior written consent of the Investors except when such a transfer constituting 10% (ten per cent) of the Promoters and Promoter Groups' aggregate shareholding is (i) *inter se* or (ii) to their spouse or children. The Investors shall be entitled to transfer freely, except to a competitor, any of their shares with or without any or all rights and/or obligations attached to their respective securities (i) *inter se* or (ii) to their respective affiliates.

In the event of any transfer of shares of our Company, the transferee will be required to execute a Deed of Adherence to the Shareholders' Agreement to be placed before the Board of the Company, prior to such a transfer.

In terms of the SHA, the Investors are *inter alia* entitled to exercise certain rights in the manner provided in the SHA, including there is a Right of First Offer ("**ROFO**") to the Promoters and Promoter Groups, in respect to the securities held by the Investors. The Investors shall have certain special rights, including but not limited to tag along rights, pre-emptive rights, anti-dilution rights, right to access and obtain company records and financial statements within the prescribed time, liquidation preference rights certain Board composition rights and right to appoint observers to the Board and its subsidiaries and affirmative voting rights as prescribed under the SHA. Also, the SHA *inter alia* contemplates certain restrictions on the Parties in relation to transfer of securities. Further, the Investors are entitled to exit their investment in our Company, 4 (four) years from **Completion Date** by way of QIPO or a Sale to Buyers identified by an Investment Banker appointed by the Company ("**Identified Buyers**"). The Investors shall also be entitled to exercise drag-along rights to enable an exit by way of sale of the Investors securities to a third-party buyer, provided the Investors hold 2% (two per cent) of the total shareholding of our Company.

The Promoters and Promoter Groups and our Company shall be required to do all things necessary to facilitate and effectuate the transfer of securities by the Investors and provide all representations, warranties and indemnities to give effect to a sale of securities by the Investors *inter se*, to their affiliates or to enable the Investors to exit their investment in our Company.

In the event of any default, the Investors shall have an option to terminate the Shareholders Agreement and claim up to 2 (two) times of the investment amount from the Promoters, transfer their shares without giving ROFO to Promoters or require Promoters to purchase all the securities held by the Investors.

Subsequently, the SHA was amended on October 5, 2021 to modify the "*Exit Option Clauses*" and change QIPO Target Date from 60 months to 72 months and amended certain rights under SHA to facilitate the Offer and sharing Offer expenses.

Subsequently, the parties to the SHA have entered into an amendment cum waiver agreement to the SHA, which is effective on and from the execution date i.e., December 7, 2021 ("**Second Amendment to SHA**"), until the earlier of: (i) withdrawal of the Offer or withdrawal of the Draft Red Herring Prospectus; (ii) from the date of the DRHP, UDRHP and RHP to be filed by the Company with the SEBI, the Investors waives their certain respective rights in the SHA; or (iii) consummation of the Offer, i.e., upon receipt of final listing and trading approval from each of the Stock Exchanges for the listing and trading of the Equity Shares of the Company pursuant to an IPO (such period referred to as "**Term**"), on which date, the SHA shall automatically terminate without any further act or deed required by any Party. Upon expiry of the Term, in the event that the Offer is not consummated, the provisions of the SHA shall be reinstated as of the date immediately prior to the Second Amendment to SHA, without giving effect to the terms of the Second Amendment to SHA.

Capitalised terms used but not defined bear the meaning assigned to such terms in the SSA and SHA, as amended.

Other material agreements

Our Company has not entered into any other subsisting material agreements other than in the ordinary course of business of our Company, as on the date of this Draft Red Herring Prospectus.

Agreements with Key Managerial Personnel, Director, Promoter or any other employee

There are no agreements entered into by a Key Managerial Personnel or Director or Promoter or any other employee of our Company, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Details of guarantees given to third parties by the promoter participating in the Offer for Sale

Other than the guarantees provided by our Promoters in relation to certain of our loans as and when required, 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 Red Herring Prospectus.

OUR SUBSIDIARIES

As of the date of this Draft Red Herring Prospectus, in terms of the Companies Act, 2013, our Company has the following 7 wholly owned subsidiaries.

As on the date of this Draft Red Herring Prospectus, our Company has the following Subsidiaries:

(a) **Subsidiaries under Companies Act, 2013:**

1. Hexagon Nutrition (Exports) Private Limited;
2. Hexagon Nutrition (International) Private Limited;
3. Nutralytica Research Private Limited*;
4. Hexagon Nutrition Healthcare Private Limited;
5. Hexagon Nutrition (Pty) Limited;
6. Hexagon Nutrition Limited Liability Company; and
7. Hexagon Nutrition China Limited.

**Pursuant to a scheme of arrangement by absorption and dissolution presently pending before the NCLT Mumbai Bench, Nutralytica Research Private Limited is in the process of being amalgamated into our Company. The final order from the NCLT Mumbai Bench in this regard, is awaited. For further details please see "History and Certain Corporate Matters" on page 176.*

Details regarding our Subsidiaries

Unless stated otherwise, the details in relation to our Subsidiaries, provided below, are as on the date of this Draft Red Herring Prospectus:

1. Hexagon Nutrition (Exports) Private Limited ("*HNEPL*")

HNEPL is our Company's material unlisted subsidiary, as defined under the SEBI Listing Regulations.

Corporate Information

HNEPL was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated July 24, 2012 issued by the RoC. Its corporate identification number is U15139TN2012PTC086911. Its registered office is situated at Plot No.B 11, Phase 1, MEPZ-SEZ Tambaram, Chennai 600045, Tamil Nadu.

HNEPL is engaged in the business of manufacturing, trading, wholesale, exports, selling, imports, buying in all kinds of food and food ingredients, additives, nutrition, wellness and healthcare products, herbal products, micronutrient premixes and other food items.

Capital Structure

The capital structure of HNEPL as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No of equity shares of face value of ₹1 each
Authorised share capital	75,000,000
Issued, subscribed and paid-up capital	67,574,660

Shareholding pattern

The shareholding pattern of HNEPL as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	No. of equity shares of ₹ 1 each	Percentage of shareholding (%)
Hexagon Nutrition Limited	67,572,660	99.99

Name of the shareholder	No. of equity shares of ₹ 1 each	Percentage of shareholding (%)
Hexagon Nutrition Limited jointly with Subhash Purushottam Kelkar	350	Negligible
Hexagon Nutrition Limited jointly with Vikram Arun Kelkar	350	Negligible
Hexagon Nutrition Limited jointly with Arun Purushottam Kelkar	350	Negligible
Hexagon Nutrition Limited jointly with Dr. Nikhil Arun Kelkar	350	Negligible
Hexagon Nutrition Limited jointly with Anuradha Arun Kelkar	350	Negligible
Hexagon Nutrition Limited jointly with Aditya Subhash Kelkar	250	Negligible
Total	**67,574,660**	**100.00**

2. Hexagon Nutrition (International) Private Limited ("*HNIPL*")

HNIPL is our Company's material unlisted subsidiary, as defined under the SEBI Listing Regulations.

Corporate Information

HNIPL was incorporated as a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated December 26, 2012 issued by the RoC. Its corporate identification number is U15146TN2012PTC089163.Its registered office is situated at Plot No. 76-77-78, CCCL Pearl City Food Port SEZ, Kombukaranatham Village, Sekkarakudi Post, Thoothukudi 628104, Tamil Nadu.

HNIPL is engaged in the business of manufacturing, trading, wholesale, exports, selling, imports, buying in all kinds of food and food ingredients, additives, nutrition, wellness and healthcare products, herbal products, micronutrient premixes and other food items.

Capital Structure

The capital structure of HNIPL as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No of equity shares of face value of ₹1 each
Authorised share capital	50,000,000
Issued, subscribed and paid-up capital	6,400,000

Shareholding pattern

The shareholding pattern of HNIPL as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	No. of equity shares of ₹ 1 each	Percentage of shareholding (%)
Hexagon Nutrition Limited	63,98,000	99.99
Hexagon Nutrition Limited jointly with Dr. Nikhil Arun Kelkar	350	Negligible
Hexagon Nutrition Limited jointly with Aditya Subhash Kelkar	250	Negligible
Hexagon Nutrition Limited jointly with Subhash Purushottam Kelkar	350	Negligible
Hexagon Nutrition Limited jointly with Vikram Arun Kelkar	350	Negligible
Hexagon Nutrition Limited jointly with Arun Purushottam Kelkar	350	Negligible
Hexagon Nutrition Limited jointly	350	Negligible

Name of the shareholder	No. of equity shares of ₹ 1 each	Percentage of shareholding (%)
with Anuradha Arun Kelkar		
Total	**6,400,000**	**100.00**

3. Nutralytica Research Private Limited ("*NRPL*")

Corporate Information

NRPL was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated October 29, 2014 issued by the RoC. Its corporate identification number is U74120MH2014PTC258965. Its registered office is situated at 304, Global Chambers, Adarsh Nagar, Near Infnity Mall, Off Link Road, Andheri (West), Mumbai 400053, Maharashtra.

NRPL is engaged in the business of analytical and research laboratory offering testing, analytical, research and development services to foods, ingredients, nutraceutical and pharmaceutical industries. Pursuant to a scheme of arrangement by absorption and dissolution presently pending before the NCLT Mumbai Bench, NRPL is in the process of being merged into our Company. The final order from the NCLT Mumbai Bench in this regard, is awaited. For further details please see "*History and Certain Corporate Matters- Details regarding material acquisition or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years*" on page 183.

Capital Structure

The capital structure of NRPL as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No of equity shares of face value of ₹1 each
Authorised share capital	100,000
Issued, subscribed and paid-up capital	100,000

Shareholding pattern

The shareholding pattern of NRPL as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	No. of equity shares of ₹ 1 each	Percentage of shareholding (%)
Hexagon Nutrition Limited	98,000	98.00
Hexagon Nutrition Limited jointly with Subhash Purushottam Kelkar	1,000	1.00
Hexagon Nutrition Limited jointly with Aditya Subhash Kelkar	1,000	1.00
Total	**10,000**	**100.00**

4. Hexagon Nutrition Healthcare Private Limited ("*HNHPL*")

Corporate Information

HNHPL was incorporated as a private limited company under the Companies Act, 2013 pursuant to a certificate of incorporation dated June 19, 2019 issued by the RoC. Its corporate identification number is U15549MH2019PTC326941.Its registered office is situated at 404 Global Chambers, Adarsh Nagar, Off Link Road, Andheri West Mumbai 400053, Maharashtra.

HNHPL has not yet commenced its business operations. Our Board at its meeting dated October 5, 2021 has noted that as HNHPL has remained dormant since its incorporation, it has proposed to close HNHPL to reduce compliance burden. However no further action has been taken in this regard.

Capital Structure

The capital structure of HNHPL as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No of equity shares of face value of ₹1 each
Authorised share capital	500,000
Issued, subscribed and paid-up capital	100,000

Shareholding pattern

The shareholding pattern of HNHPL as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	No. of equity shares of ₹ 1 each	Percentage of shareholding (%)
Hexagon Nutrition Limited	99,998	99.99
Arun Purushottam Kelkar Jointly with Hexagon Nutrition Limited	1	Negligible
Vikram Purushottam Kelkar Jointly with Hexagon Nutrition Limited	1	Negligible
Total	**100,000**	**100.00**

5. Hexagon Nutrition (Pty) Limited ("*Hexagon South Africa*")

Corporate Information

Hexagon South Africa was incorporated on April 24, 2019 as a company limited by shares under the laws of Republic of South Africa. Its registered office is situated at 2nd Floor, 4 Fricker Road, Illovo, Gauteng 2196.

Hexagon South Africa is engaged in the business of trading, wholesale, exports, selling, imports, buying in all kinds of food and food ingredients, additives, nutrition, wellness and healthcare products, herbal products, micronutrient premixes and other food items.

Capital Structure

The capital structure of Hexagon South Africa as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No of shares of Zar 1 each
Authorised share capital	751,000
Issued, subscribed and paid-up capital	751,000

Shareholding pattern

The shareholding pattern of Hexagon South Africa as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	No of shares of Zar 1 each	Percentage of shareholding (%)
Hexagon Nutrition Limited	751,000	100.00
Total	**751,000**	**100.00**

6. Hexagon Nutrition Limited Liability Company ("*Hexagon Uzbekistan*")

Corporate Information

Hexagon Uzbekistan was incorporated on January 8, 2020 as a limited liability Company having chartered capital under the laws of the Republic of Uzbekistan. Its registered office is situated at Home-2 Sugdiyona of Sergeli District of Tashkent City.

Hexagon Uzbekistan is engaged in the business of manufacturing, trading, wholesale, exports, selling, imports, buying in all kinds of food and food ingredients, additives, nutrition, wellness and healthcare products, herbal products, micronutrient premixes and other food items.

Capital Structure

The capital structure of Hexagon Uzbekistan as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No of shares of soums each
Authorised share capital	100,000,000
Issued, subscribed and paid-up capital	100,000,000

Shareholding pattern

The shareholding pattern of Hexagon Uzbekistan as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	No of shares of soums each	Percentage of shareholding (%)
Hexagon Nutrition Limited	100,000,000	100.00
Total	**100,000,000**	**100.00**

7. Hexagon Nutrition China Limited ("*Hexagon Hong Kong*")

Corporate Information

Hexagon Hong Kong was incorporated on July 30, 2019 as a limited company under the laws of Hong Kong. Its registered office is situated at RM 19C Lockhart CTR 301-307 Lockhart Rd Wan Chai Hong Kong.

Hexagon Hong Kong is engaged in the business of manufacturing, trading, wholesale, exports, selling, imports, buying in all kinds of food and food ingredients, additives, nutrition, wellness and healthcare products, herbal products, micronutrient premixes and other food items.

Capital Structure

The capital structure of Hexagon Hong Kong as on the date of this Draft Red Herring Prospectus is as follows:

Particulars	No of shares of 1 Hong Kong Dollar each
Authorised share capital	10,000
Issued, subscribed and paid-up capital	10,000

Shareholding pattern

The shareholding pattern of Hexagon Hong Kong as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	No of shares of 1 Hong Kong Dollar each	Percentage of shareholding (%)
Hexagon Nutrition Limited	10,000	100.00
Total	**10,000**	**100.00**

Other details regarding our Subsidiaries

Accumulated profits or losses of our Subsidiaries.

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of any of our Subsidiaries that are not accounted for, by our Company.

Common Pursuits

All of our Subsidiaries are engaged in business activities similar to that of our Company. Our Subsidiaries have been incorporated/acquired to undertake various projects in line with our business strategies. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise. For details of related business transactions between our Company and our Subsidiaries, see "*Related Party Transactions*" on page 282.

Business interest between our Company and our Subsidiaries

Except in the ordinary course of business and as stated in "*Our Business*" and "*Related Party Transactions*" on pages 149 and 282, respectively, none of our Subsidiaries have any business interest in our Company.

Outstanding litigations

For details regarding the outstanding litigations against our Subsidiaries, see "*Outstanding Litigation and Material Developments*" on page 329.

Other confirmations

None of our Subsidiaries have listed their securities of on any stock exchange in India or abroad. Further, neither have any of the securities of Subsidiaries been refused listing by any stock exchange, nor have our Subsidiaries failed to meet the listing requirements of any stock exchange in India or abroad.

Our Holding Company

As of the date of this Draft Red Herring Prospectus, our Company does not have any holding company.

Joint Venture and Associate

As of the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures or associate.

OUR MANAGEMENT

The Articles of Association require that our Board shall comprise of not less than three Directors and not more than fifteen Directors, provided that our Shareholders may appoint more than fifteen Directors after passing a special resolution in a general meeting.

As on the date of filing this Draft Red Herring Prospectus, our Board comprises ten Directors, of whom five are Executive Directors and five are Independent Directors including two Independent woman Director. Our Company is in compliance with the corporate governance laws prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

Board of Directors

The following table sets forth the details of our Board as on the date of filing of this Draft Red Herring Prospectus with SEBI:

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
Arun Purushottam Kelkar ***Designation:*** Chairman and Executive Director ***Date of birth:*** May 1, 1950 ***Address*:** Flat 1903, Floor-19, Wing B, Kabra Metro one-B, Pratap CHSL, Jai Prakash Road, Next to Versova Metro Station, Andheri West, Mumbai 400053, Maharashtra ***Occupation*:** Business ***Current term:*** For a period of 5 (five) years with effect from September 29, 2021 till September 28, 2026 and liable to retire by rotation ***Period of Directorship*:** Since May 27, 1993 ***DIN*:** 00171276	71	1. Sunrise Nutrition Private Limited
Subhash Purushottam Kelkar ***Designation*:** Executive Director ***Date of birth:*** July 28, 1959 ***Address*:** Flat no 02, Patil Parichay Apartment Near Old Gangapur Naka, Behind Bon Vivant Hotel, Patil Park, Nashik-422005, Maharashtra ***Occupation*:** Business ***Current term:*** For a period of 5 (five) years with effect from September 29, 2021 till September 28, 2026 and liable to retire by rotation	62	1. Sunrise Nutrition Private Limited 2. Hexagon Nutrition (Exports) Private Limited 3. Hexagon Nutrition (International) Private Limited; and 4. Nutralytica Research Private Limited

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
***Period of directorship*:** Since May 27, 1993 ***DIN*:** 00177280		
Vikram Arun Kelkar ***Designation*:** Managing Director ***Date of birth:*** November 17, 1981 ***Address*:** B/6, Shubham CHSL, 7th Bungalow, Juhu Versova Link Road, Azad Nagar, Andheri (West), Mumbai- 400053, Maharashtra ***Occupation*:** Business ***Current term**:* For a period of five years with effect from June 28, 2019 till June 27, 2024 ***Period of directorship*:** Since September 1, 2005 ***DIN***: 02302364	40	1. Sunrise Nutrition Private Limited; 2. Hexagon Nutrition (Exports) Private Limited; and 3. Hexagon Nutrition Healthcare Private Limited.
Dr. Nikhil Arun Kelkar ***Designation*:** Joint Managing Director ***Date of birth:*** December 16, 1978 ***Address*:** C/4, Shubham CHS LTD, Juhu Versova Link Road, Above Banana Leaf Restaurant, Andheri West, Mumbai 400053, Maharashtra ***Occupation*:** Business ***Current term:*** For a period of five years with effect from April 1, 2017 till March 31, 2022 and further re-appointed for a period of five years from April 1, 2022 till March 31, 2027. ***Period of directorship*:** Director since August 21, 2008 ***DIN*:** 02302369	43	1. Hexagon Nutrition (Exports) Private Limited 2. Hexagon Nutrition (International) Private Limited; 3. Hexagon Nutrition Healthcare Private Limited.
Aditya Subhash Kelkar ***Designation*:** Executive Director ***Date of birth:*** December 20, 1987 ***Address*:** Flat No 3, Dharmaraj Plaza, Gangapur	34	1. Sunrise Nutrition Private Limited; 2. Hexagon Nutrition (International) Private Limited; 3. Nutralytica Research Private Limited.

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
Road, Near Vaishali Building, Old Gangapur Naka, Nashik-422005, Maharashtra ***Occupation*:** Business ***Current term:*** For a period of 5 (five) years with effect from November 17, 2021 till November 16, 2026 ***Period of directorship*:** Director since September 15, 2012 ***DIN*:** 02312705		
Chandra Prakash Jain ***Designation*: Independent Director** ***Date of birth:*** January 27, 1962 ***Address*:**75, Sarthi 1, Subhash Chowk, Memnagar, Ahmedabad 380052, Gujarat ***Occupation*:** Service ***Current term:*** For a period of 2 (two) years from November 17, 2021 till November 16, 2023 and not liable to retire by rotation ***Period of directorship*:** Since November 17, 2021 ***DIN*:**01079553	59	1. Schnik Tradelink Private Limited; 2. Camel Technologies Private Limited; 3. Truue Global Financial Services Private Limited; 4. Truue Ventures Private Limited
Neeraj Katare ***Designation*: Independent Director** ***Date of birth:*** June 11, 1971 ***Address*:**1101/1102, Brookhill, Hiranandani Estate, Patlipada, Ghodbunder Road, Thane400607**,** Maharashtra ***Occupation*:** Service ***Current term:*** For a term of 2 (two) years commencing on November 17, 2021 till November 16, 2023 and not liable to retire by rotation ***Period of directorship*:** Since November 17, 2021	**50**	1. DrStore Healthcare Services India Private Limited

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
***DIN*:**07227648		
Aparna Sharma ***Designation*: Independent Director** ***Date of birth:*** September 3, 1973 ***Address*:** E/55, Venus Society, 14th Floor, 48R G Thadani Marg, Worli Sea face, Worli, Mumbai 400018**,** Maharashtra ***Occupation*:** Service ***Current term:*** For a term of 2 (two) years commencing on November 17, 2021 till November 16, 2023 and not liable to retire by rotation ***Period of directorship*:** Since November 17, 2021 ***DIN*:**07132341	48	1. Rajratan Global Wire Limited; 2. BNP Paribas Asset Management India Private Limited; 3. S.M.I.L.E. Microfinance Limited;
Sunil Sudhakarrao Deshmukh ***Designation*: Independent Director** ***Date of birth:*** June 20, 1963 ***Address*:** Flat No. 101, Mayfair Gardens Azad Lane, Off S V Road, Andheri West, Mumbai – 400 058, Maharashtra, India ***Occupation*:** Service ***Current term:*** For a term of 2 (two) years commencing on December 7, 2021 till December 6, 2023 and not liable to retire by rotation ***Period of directorship*:** Since December 7,2021 ***DIN*:**05210882	58	1. Dealsafe Private Limited; 2. Hexagon Nutrition (Exports) Private Limited

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
Ashlesha Ashok Parchure ***Designation*: Independent Director** ***Date of birth:*** February 24, 1957 ***Address*:** Emerald Residency, Flat No. 9, 4th Floor, Sakharam Keer Road, Near Kohinoor Square Mahim, Mumbai – 400 016, Maharashtra, India ***Occupation*:** Service ***Current term:*** For a term of 2 (two) years commencing on December 7, 2021 till December 6, 2023 and not liable to retire by rotation ***Period of directorship*:** Since December 7, 2021 ***DIN*:**06593021	64	1. VR Food Tech Private Limited; 2. Hexagon Nutrition (International) Private Limited

Brief profiles of our Directors

Arun Purushottam Kelkar, the Chairman and Executive Director of our Company. He holds a bachelor's degree in Engineering from the Nagpur University. He has also completed Diploma in Operations Management from University of Mumbai. He has been associated with our Company since its incorporation. He worked with Siemens India Limited and Castrol India Limited and is a professional turned entrepreneur. He has over 4 decades of work experience in various industries including food and nutrition industry. He is a visionary who as the Chairman and Executive Director of our Company, has been instrumental in formulating and implementing strategies and policies of our Company.

Subhash Purushottam Kelkar, is an Executive Director of our Company. He holds a bachelor's degree in Pharmacy from the University of Mumbai. He has completed diploma in Industrial Engineering from Bombay Productivity Council. He has been associated with our Company since its incorporation. He was associated with Glaxo Laboratories (India) Limited, Ethnor Limited and Super Pharma Private Limited prior to incorporation of our Company. He has over 3 decades of experience in various industries including food and nutrition business.

Vikram Arun Kelkar, the Managing Director of our Company. He holds a bachelor's degree in Management Studies from the University of Mumbai and master's degree in International Business from the University of Auckland. He was awarded outstanding Innovation in eradication of Micronutrient Deficiencies at the Young Visionary-2011, PRCI Chanakya Awards 2011. He has also co-authored a research paper titled "Asian Wheat Flour Products : Impact of flour fortification on organoleptic properties" in March 2011. He has over 17 years of experience in various aspects of food and nutrition business. He heads the premix formulation and RUF/MNP business segments at domestic and international level.

Dr. Nikhil Arun Kelkar, the Joint Managing Director of our Company. He holds a bachelor's degree in Dental Surgery from the Nair Hospital Dental College, University of Mumbai and Diploma in Marketing Management from Narsee Monjee Institute of Management Studies. He was a practising Dental Surgeon for 7 years and was also a member of the New Zealand Dental Association. He has over 13 years of experience in various aspects of food and nutrition business. He heads the branded nutrition products segment (domestic and international) and the finance department at the group level and plays a crucial role in product development.

Aditya Subhash Kelkar, the Executive Director of our Company. He holds a bachelor's degree in Engineering in Chemical and Bioprocess from the Swansea University. He has over 9 years of experience in various aspects of food and nutrition business.

Chandra Prakash Jain, is an Independent Director of our Company. He holds a bachelor's degree in Commerce from the University of Rajasthan, Jaipur, fellow member of Institute of Chartered Accountants of India and member of Indian Institute of Insolvency Professionals of ICAI. He has also completed a certificate course on Forensic Accounting and Fraud Prevention. He has over 24 years of experience in the field of accountancy.

Neeraj Katare, is an Independent Director of our Company. He holds a bachelor's degree in Engineering from the Doctor Harisingh Gour Vishwavidyalay and has completed Executive Programme in Management with specialization in Marketing and Human resource Management from Indian Institute of Technology, Bombay. He was working as CEO of Drstore Healthcare Services Indian Private Limited and as Vice President- Piramal Nutrition Solutions & Operational Excellence with Piramal Enterprises Limited. He has over 13 years of experience in various aspects of food and nutrition business.

Aparna Sharma, is an Independent Director of our Company. She holds a master's degree in Arts in Personnel Management and Industrial Relations from Tata Institute of Social Sciences. She has worked as Head HR- Global Services, India with Novartis Healthcare Private Limited, as Director-HR with UCB India Private Limited, as Director with DBOI Global Services Private Limited, as Chief Human Resources Officer with Greaves Cotton Limited and as Country Head-HR with Lafarge Aggregates and Concrete India Private Limited and has over 9 years of experience in in Human Resources.

Sunil Sudhakarrao Deshmukh, is an Independent Director of our Company. He holds a bachelor's degree in law from the University of Poona, master's degree in Commerce from Savitribai Phule Pune University and is a fellow member of Institute of Company Secretaries of India. He is also a member of the Institute of Cost and Works Accountants of India and has a graduate diploma in Applied Positive Psychology from the School of Positive Psychology. He is also an associate certified coach from the International Coach Federation and a certified management accountant from The Institute of certified management Accountants, United States of America. He was working as Head of Finance and IT with Hardcastle Restaurant Private Limited, served as a Managing Director of Indo Jordan Chemicals Co. Limited and as a Chief Executive officer- Infragroup of New Business Initiative of AM International Holdings Private Limited. He has over 14 years of experience in finance and IT.

Ashlesha Ashok Parchure, is an Independent Director of our Company. She holds a master's degree in Science (Technology) from the University of Bombay. She was working as Research Assistant in the R&D (Foods) Department at Raptakos, Brett and Co. Limited, Drytech Processes (I) Private Limited and at Tinna Oils and Chemcals Limited. She has experience in research and development.

Relationship between our Directors and Key Managerial Personnel

Except as mentioned below, none of our other Directors are related to each other or to any of our Key Managerial Personnel.

Name of the Directors	Relationship
Arun Purushottam Kelkar and Subhash Purushottam Kelkar	Brothers
Arun Purushottam Kelkar and Vikram Arun Kelkar	Father and Son
Vikram Arun Kelkar and Dr. Nikhil Arun Kelkar	Brothers
Arun Purushottam Kelkar and Dr. Nikhil Arun Kelkar	Father and Son
Subhash Purushottam Kelkar and Aditya Subhash Kelkar	Father and Son

Arrangement or understanding with major shareholders, customers, suppliers or others.

None of our Directors have been nominated, appointed or selected pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Service contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Payment or benefit to Directors of our Company

Remuneration to Executive Directors

1. Arun Purushottam Kelkar

Our Board of Directors in its meeting held on November 17, 2021 and our Shareholders in their extraordinary general meeting held on November 22, 2021 approved the re-appointment of Arun Purushottam Kelkar as the Chairman and Executive Director of our Company, for a period of 5 (five) years with effect from September 29, 2021 till September 28, 2026 and liable to retire by rotation. The following table sets forth the terms of appointment:

Remuneration	He shall be paid an annual remuneration of ₹ 10,900,000 from the Company or any of its subsidiaries which shall include HRA, medical allowance, other perquisites, benefits, contributions etc as per the rules of the Company Such remuneration payable may be beyond the permissible limits as under the relevant provisions of Section 196, 197 of the Companies Act, 2013 read with Schedule V thereof and notification issued by Ministry of Corporate Affairs dated September 12, 2018

2. Vikram Arun Kelkar

Our Board of Directors in its meeting held on June 28, 2019 and our Shareholders in their extraordinary general meeting held on August 23, 2019 approved the appointment of Vikram Arun Kelkar as the Managing Director of our Company for a period of five years with effect from June 28, 2019 till June 27, 2024. Further, our shareholders approved the terms of appointment on November 22, 2021. The following table sets forth the terms of appointment of Vikram Arun Kelkar:

Remuneration	He shall be paid an annual remuneration of ₹ 13,300,000 from the Company or any of its subsidiaries which shall include HRA, medical allowance, other perquisites, benefits, contributions etc. as per the rules of the Company Such remuneration payable may be beyond the permissible limits as under the relevant provisions of Section 196, 197 of the Companies Act, 2013 read with Schedule V thereof and notification issued by Ministry of Corporate Affairs dated September 12, 2018

3. Dr. Nikhil Arun Kelkar

Our Board of Directors in its meeting held on November 17, 2021 and our Shareholders in their extraordinary general meeting held on November 22, 2021 approved the appointment of Dr. Nikhil Arun Kelkar as the Joint Managing Director of our Company till March 31, 2022 and was further re-appointed for a period of five years from April 1, 2022 till March 31, 2027. The following table sets forth the terms of appointment:

Remuneration	He shall be paid an annual remuneration of ₹ 11,000,000 from the Company or any of its subsidiaries which shall include HRA, medical allowance, other perquisites, benefits, contributions etc. as per the rules of the Company Such remuneration payable may be beyond the permissible limits as under the relevant provisions of Section 196, 197 of the Companies Act, 2013 read with Schedule V thereof and notification issued by Ministry of Corporate Affairs dated September 12, 2018

4. **Subhash Purushottam Kelkar**

Our Board of Directors in its meeting held on November 17, 2021 and our Shareholders in their extraordinary general meeting held on November 22, 2021 approved the re-appointment of Subhash Purushottam Kelkar as the Executive Director of our Company for a period of 5 (five) years with effect from September 29, 2021 till September 28, 2026 and liable to retire by rotation. The following table sets forth the terms of appointment:

Remuneration	He shall be paid an annual remuneration of ₹ 9,070,000 from the Company or any of its subsidiaries which shall include HRA, medical allowance, other perquisites, benefits, contributions etc as per the rules of the Company Such remuneration payable may be beyond the permissible limits as under the relevant provisions of Section 196, 197 of the Companies Act, 2013 read with Schedule V thereof and notification issued by Ministry of Corporate Affairs dated September 12, 2018

5. **Aditya Subhash Kelkar**

Our Board of Directors in its meeting held on November 17, 2021 and our Shareholders in their extraordinary general meeting held on November 22, 2021 approved the re-appointment of Aditya Subhash Kelkar as the Executive Director of our Company for a period of 5 (five) years with effect from November 17, 2021 till November 16, 2026.The following table sets forth the terms of appointment:

Remuneration	He shall be paid an annual remuneration of ₹ 4,310,000 from the Company or any of its subsidiaries which shall inter-alia include HRA, medical allowance, other perquisites, benefits, contributions etc as per the rules of the Company Such remuneration payable may be beyond the permissible limits as under the relevant provisions of Section 196, 197 of the Companies Act, 2013 read with Schedule V thereof and notification issued by Ministry of Corporate Affairs dated September 12, 2018

Remuneration of our Directors from our Company

(a) Executive Directors

The following table sets forth the details of the remuneration paid by our Company to our Executive Directors for the Fiscal 2021:

Sr. No.	Name of the Executive Director	Remuneration (in ₹ million)
1.	Arun Purushottam Kelkar	9.44
2.	Dr. Nikhil Arun Kelkar	9.07
3.	Anuradha Arun Kelkar*	3.07
4.	Vikram Arun Kelkar	Nil
5.	Subhash Purushottam Kelkar	Nil
6.	Aditya Subhash Kelkar	Nil

**She resigned from the Board of Directors with effect from April 5, 2020*

(b) Independent Directors

Pursuant to a resolution of the Board dated November 17, 2021, our Independent Directors are entitled to receive sitting fees of ₹60,000 for attending each meeting of our Board and ₹25,000 for attending the meetings of committees constituted of the Board.

Additionally, our Independent Directors are also entitled to reimbursements in relation to travel, hotel and other incidental expenses incurred by them to attend such meetings.

All our Independent Directors were appointed during the current Fiscal i.e. Fiscal 2022. Accordingly, no remuneration was paid to them in Fiscal 2021.

Contingent and deferred compensation payable to the Directors

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

Bonus or profit-sharing plan for our Directors

Except for annual performance bonus policy effective from March 1, 2017, our Company does not have any performance linked bonus or a profit-sharing plan in which our Executive Directors have participated.

Remuneration of our Directors from our Subsidiaries

Except as disclosed below, no remuneration has been paid to our Directors by any of our Subsidiaries in Fiscal 2021.

Name of the Subsidiary	Name of the Director	Remuneration (in ₹ million)
Hexagon Nutrition (Exports) Private Limited	Vikram Arun Kelkar	11.16
Hexagon Nutrition (International) Private Limited	Subhash Purushottam Kelkar	8.5
Nutralytica Research Private Limited	Aditya Subhash Kelkar	3.95

Shareholding of our Directors and Key Managerial Personnel in our Company

Our Articles do not require our Directors to hold any qualification shares.

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, none of our Directors hold any Equity Shares in our Company:

Sr. No.	Name of the Director	No. of Equity Shares held
1.	Arun Purushottam Kelkar	24,346,406
2.	Dr. Nikhil Arun Kelkar	21,216,068
3.	Vikram Arun Kelkar	25,945,044
4.	Subhash Purushottam Kelkar	24,188,993
5.	Aditya Subhash Kelkar	1,526,092

Shareholding of Directors in our Subsidiaries.

Except as stated below, none of our Directors hold any equity shares in our Subsidiaries

Details of equity shares held in HNEPL:

Name of Shareholder	No. of equity shares of ₹ 1 each	Percentage of total equity holding (%)
Hexagon Nutrition Limited jointly with Subhash Purushottam Kelkar	350	Negligible
Hexagon Nutrition Limited jointly with Vikram Arun Kelkar	350	Negligible
Hexagon Nutrition Limited jointly with Arun Purushottam Kelkar	350	Negligible

Name of Shareholder	No. of equity shares of ₹ 1 each	Percentage of total equity holding (%)
Hexagon Nutrition Limited jointly with Dr. Nikhil Arun Kelkar	350	Negligible
Hexagon Nutrition Limited jointly with Aditya Subhash Kelkar	250	Negligible

Details of equity shares held in HNIPL:

Name of Shareholder	No. of equity shares of ₹1 each	Percentage of total equity holding (%)
Hexagon Nutrition Limited jointly with Subhash Purushottam Kelkar	350	Negligible
Hexagon Nutrition Limited jointly with Vikram Arun Kelkar	350	Negligible
Hexagon Nutrition Limited jointly with Arun Purushottam Kelkar	350	Negligible
Hexagon Nutrition Limited jointly with Dr. Nikhil Arun Kelkar	350	Negligible
Hexagon Nutrition Limited jointly with Aditya Subhash Kelkar	250	Negligible

Details of equity shares held in NRPL:

Name of Shareholder	No. of equity shares of ₹1 each	Percentage of total equity holding (%)
Hexagon Nutrition Limited jointly with Subhash Purushottam Kelkar	1,000	1.00
Hexagon Nutrition Limited jointly with Aditya Subhash Kelkar	1,000	1.00

Details of equity shares held in HNHPL:

Name of Shareholder	No. of equity shares of ₹ 1 each	Percentage of total equity holding (%)
Arun Purushottam Kelkar Jointly with Hexagon Nutrition Limited	1	Negligible
Vikram Purushottam Kelkar Jointly with Hexagon Nutrition Private Limited	1	Negligible

Borrowing Powers

In accordance with our Articles of Association and subject to the provisions of the Companies Act, 2013, and pursuant to a resolution of the Shareholders of our Company passed in their extraordinary general meeting held on November 22, 2021, in accordance with Section 180(1)(a) and (c) of the Companies Act, 2013, our Board is authorised to borrow such sums of money from time to time, with or without security, on such terms and conditions as it may consider fit notwithstanding that the amount to be borrowed together with the amount already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) exceeds the aggregate of the paid up capital and free reserves of our Company provided that the total amount borrowed by the Board and outstanding at any point of time shall not exceed ₹700 million.

Interest of Directors

All Directors may be deemed to be interested to the extent of reimbursement of expenses payable to them, if any and the remuneration payable to such Directors as decided by the Board from time to time. Our Executive Directors are interested to the extent of remuneration, payable to them for services rendered as an officer or employee of our Company or our Subsidiaries. Our Independent Directors are interested to the extent of the sitting fees. Further, our Independent Directors are also on the board of some of our Material Subsidiaries and accordingly may be deemed to be interested to the extent of the sitting fees, commission and remuneration payable to them by such Subsidiaries.

Our Directors, may also be regarded as interested in Equity Shares held by them, if any, or that may be subscribed by and allotted to their relatives, or the entities with which they are associated as promoters, directors, partners, proprietors or trustees or to the companies, firms and trust, in which they are interested as directors, promoters, members, partners and trustees, pursuant to the Issue and to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Our Directors may also be regarded as interested in the securities, if any, held by them in the Subsidiaries, and also to the extent of any dividend payable to them and other distributions in respect of such securities and the securities of the Subsidiaries that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters. Certain of our Directors may also be regarded to be interested to the extent of remuneration, fees and commission, if any, payable to them for attending meetings of the board of directors or a committee thereof of the Subsidiaries as well as to the extent of other remuneration, commission and reimbursement of expenses payable to them by our Subsidiaries.

Our Directors may also be regarded as interested in the Subsidiaries of our Company, to the extent of Equity Shares held by them, capital contribution and/or to the extent of being a director of such Subsidiaries as the case may be, and/or any other related benefits.

There is no material existing or anticipated transaction whereby our Directors will receive any proceeds from the Fresh Issue.

Nutan Subhash Kelkar, wife of Subhash Purushottam Kelkar, is an employee of our Company and she was paid a remuneration of ₹ 1.66 million during Fiscal 2021.

Interest of Directors in the promotion and formation of our Company

As on the date of this Draft Red Herring Prospectus, except for Arun Purushottam Kelkar, Subhash Purushottam Kelkar, Vikram Arun Kelkar and Dr. Nikhil Arun Kelkar, none of our other Directors are interested in the promotion of our Company. For further details, see "*Our Promoters and Promoter Group*" on page 215.

Interest in property

Our Directors do not have any interest in any property acquired or proposed to be acquired by or of our Company.

Our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Business interest

Except as stated in "*Financial Information – Related Party Disclosure*" beginning on page 223 and as disclosed in this section, our Directors do not have any other interest in our business.

Confirmations

None of our Directors have been identified as Wilful Defaulters, as defined under the SEBI ICDR Regulations.

Our Directors are not, and have not, during the five years preceding the date of this Draft Red Herring Prospectus, been on the board of any listed company whose shares have been or were suspended from being traded on the BSE or NSE during their term of directorship in such company.

None of our Directors have been or are directors on the board of listed companies which have been or were delisted from any stock exchange(s) during their term of directorship in such company.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, 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, trust or company in which he is interested, in connection with the promotion or formation of our Company.

Changes to the Board in the last three years

The changes in the Board in the last three years immediately preceding the date of this Draft Red Herring Prospectus are as follows:

Name of Director	Date of Change	Reasons
Anuradha Arun Kelkar	April 5, 2020	Resignation due to Pre-occupation
Mayur Sirdesai	November 17, 2021	Resignation due to pre-occupation
Chandra Prakash Jain	November 17, 2021	Appointment
Neeraj Katare	November 17, 2021	Appointment
Aparna Sharma	November 17, 2021	Appointment
Sunil Sudhakarrao Deshmukh	December 07, 2021	Appointment
Ashlesha Ashok Purchure	December 07, 2021	Appointment

Corporate Governance

The provisions of the Companies Act, 2013 and the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the corporate governance laws prescribed under the Companies Act and the SEBI Listing Regulations, in relation to the composition of our Board and constitution of the committees thereof.

As on the date of filing this Draft Red Herring Prospectus, our Board comprises of ten Directors, of whom five directors are Independent Directors including two Independent woman Director.

Committees of our Board of Directors

In addition to the committees of our Board of Directors detailed below, our Board of Directors may, from time to time constitute committees for various functions.

Audit Committee

The Audit Committee was constituted by a meeting of the Board held on November 17, 2021. The members of the Audit Committee are:

Name of Director	Position in the Committee	Designation
Chandra Prakash Jain	Chairman	Independent Director
Neeraj Katare	Member	Independent Director
Dr. Nikhil Arun Kelkar	Member	Joint Managing Director

The Company Secretary of our Company shall serve as the secretary of the Audit Committee. The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The terms of reference of the Audit Committee are as follows:

A. Powers of Audit Committee

The Audit Committee shall have powers, including the following:

1. to investigate any activity within its terms of reference

2. to seek information from any employee

3. to obtain outside legal or other professional advice;

4. management discussion and analysis of financial condition and results of operations;

5. to secure attendance of outsiders with relevant expertise, if it considers necessary; and

6. such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

Role of Audit Committee

The role of the Audit Committee shall include the following:

(1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

(2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) formulation of a policy on related party transactions, which shall include materiality of related party transactions;

(5) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(6) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013

   b. Changes, if any, in accounting policies and practices and reasons for the same

   c. Major accounting entries involving estimates based on the exercise of judgment by management

   d. Significant adjustments made in the financial statements arising out of audit findings

   e. Compliance with listing and other legal requirements relating to financial statements

   f. Disclosure of any related party transactions; and

   g. Modified opinion(s) in the draft audit report,

(7) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

(8) 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;

(9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(10) approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

Explanation: *The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

(11) laying down the criteria for granting omnibus approval in line with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;

(12) scrutiny of inter-corporate loans and investments;

(13) valuation of undertakings or assets of the Company, wherever it is necessary;

(14) evaluation of internal financial controls and risk management systems;

(15) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(16) 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;

(17) discussion with internal auditors of any significant findings and follow up there on;

(18) 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;

(19) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(20) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

(21) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(22) reviewing the functioning of the whistle blower mechanism;

(23) monitoring the end use of funds raised through public offers and related matters;

(24) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

(25) approval of appointment of 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;

(26) reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;

(27) to consider the rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc. of the Company and provide comments to the Company's shareholders;

(28) to review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively; and

(29) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Audit Committee shall mandatorily review the following information:

a) Management discussion and analysis of financial condition and results of operations;

b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

c) Management letters / letters of internal control weaknesses issued by the statutory auditors;

d) Internal audit reports relating to internal control weaknesses;

e) The appointment, removal and terms of remuneration of the chief internal auditor;

f) Statement of deviations in terms of the SEBI Listing Regulations:

    a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and

    b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.

g) review the financial statements, in particular, the investments made by any unlisted subsidiary.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by a meeting of the Board held on November 17, 2021.The members of the Nomination and Remuneration Committee are:

Name of Director	Position in the Committee	Designation
Aparna Sharma	Chairperson	Independent Director
Neeraj Katare	Member	Independent Director
Chandra Prakash Jain	Member	Independent Director

The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee are as follows:

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the "**Board**" or "**Board of Directors**") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("**Remuneration Policy**");

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

i. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

iii. 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.

(2) formulation of criteria for evaluation of performance of independent directors and the Board;

(3) devising a policy on Board diversity;

(4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

(5) reviewing and recommending to the Board, manpower plan/ budget and sanction of new senior management positions from time to time in the future;

(6) for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the committee may:

(i) use the services of an external agencies, if required;

(ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and

(iii) consider the time commitments of the candidates,

(7) extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(8) evaluation and recommendation of termination of appointment of directors in accordance with the Board's governance principles for cause or for other appropriate reasons;

(9) making recommendations to the Board in relation to the appointment, promotion and removal of the senior management personnel;

(10) recommending to the board, all remuneration, in whatever form, payable to senior management, including revisions thereto;

(11) administering, monitoring and formulating detailed terms and conditions of the Employees Stock Option Scheme of the Company;

(12) framing suitable policies and systems to ensure that there is no violation, as amended from time to time, of any securities laws or any other applicable laws in India or overseas, including:

(i) the SEBI Insider Trading Regulations; and
(ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended;

(13) carrying out any other function as is mandated by the Board from time to time and / or enforced/mandated by any statutory notification, amendment or modification, as may be applicable;

(14) performing such other functions as may be necessary or appropriate for the performance of its duties;

(15) periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;

(16) developing a succession plan for our Board and senior management and regularly reviewing the plan;

(17) consideration and determination of the nomination and remuneration policy based on performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate; and

(18) perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a meeting of the Board held on November 17, 2021.The members of the Stakeholders' Relationship Committee are:

Name of Director	Position in the Committee	Designation
Aparna Sharma	Chairperson	Independent Director
Neeraj Katare	Member	Independent Director
Arun Purushottam Kelkar	Member	Chairman and Executive Director

The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The terms of reference of the Stakeholders' Relationship Committee are as follows:

(1) considering and specifically looking into various aspects of interests of shareholders, debenture holders and other security holders;

(2) resolving the grievances of the security holders of the listed entity including complaints related to allotment of shares, transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, depository receipt, non-receipt of annual report , balance sheet or profit and loss account, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

(3) review of measures taken for effective exercise of voting rights by shareholders;

(4) investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(5) giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(6) review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

(7) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and

(8) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was re-constituted by a meeting of the Board held on November 17, 2021. The members of the Corporate Social Responsibility Committee are:

Name of Director	Position in the Committee	Designation
Arun Purushottam Kelkar	Chairman	Chairman and Executive Director
Vikram Arun Kelkar	Member	Managing Director
Aparna Sharma	Member	Independent Director

The scope and functions of the Corporate Social Responsibility Committee of our Company are in accordance with Section 135 of the Companies Act and the applicable rules thereunder, and have been set out below:

(1) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;

(2) identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(3) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;

(4) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(5) review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

(6) assistance to the Board to ensure that our Company spends towards the corporate social responsibility activities in every Fiscal, such percentage of average net profit/ amount as may be prescribed in the Companies Act, 2013 and/ or rules made thereunder;

(7) providing explanation to the Board if the Company fails to spend the prescribed amount within the financial year;

(8) providing updates to our Board at regular intervals of six months on the corporate social responsibility activities;

(9) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and

(10) exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

Risk Management Committee

The Risk Management Committee was constituted by a meeting of the Board held on November 17, 2021.The members of the Risk Management Committee are:

Name of Director	Position in the Committee	Designation
Chandra Prakash Jain	Chairman	Independent Director
Dr. Nikhil Arun Kelkar	Member	Joint Managing Director
Vikram Arun Kelkar	Member	Managing Director

The scope and functions of the Risk Management Committee are in accordance with Regulation 21 of the SEBI Listing Regulations. The terms of reference of the Stakeholders' Relationship Committee are as follows:

1. To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof. The risk management policy shall include the following:

   I. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;

   II. Measures for risk mitigation including systems and processes for internal control of identified risks; and

   III. Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

4. To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

5. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;

6. To implement and monitor policies and/or processes for ensuring cyber security;

7. To frame, devise and monitor risk management plan and policy of the Company, including evaluating the adequacy of risk management systems;

8. To review and recommend potential risk involved in any new business plans and processes;

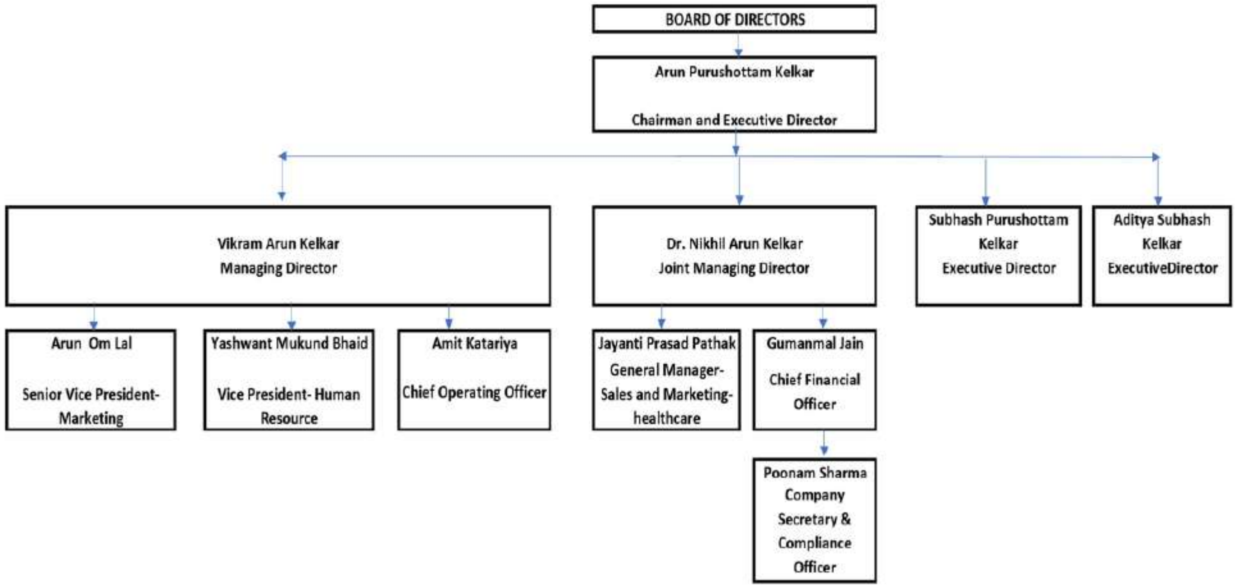
9. To review the Company's risk-reward performance to align with the Company's overall policy objectives;

10. Monitor and review regular updates on business continuity;

11. Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and

12. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority."

Management organisation chart



Key Management Personnel

For details in relation to the biographies of our Executive Directors, see "*Brief profiles of our Directors*" on page 197. The details of the Key Managerial Personnel of our Company are as follows:

Guman Mal Jain, is the Chief Financial Officer of our Company with effect from September 6, 2021. He joined our Company as Finance Controller with effect from July 2, 2018. He holds a bachelor's degree in Commerce from Maharshi Dayanand Saraswati University, Ajmer and is a member of the Institute of Chartered Accountants of India. Prior to joining our Company, he was associated as Manager with Gujarat Ambuja Exports Ltd., as Manager Accounts with Liberty Oil Mills Limited, as Manager Accounts with Ruchi Soya Industries Limited, as Assistant General Manager with Suzlon Energy Limited, as Deputy General Manager with JBF Petrochemicals Limited and as Chief Financial Officer with Mayur Uniquoters Limited. He has received a remuneration of ₹ 4.76 million in Fiscal 2021.

Poonam Sharma, is the Company Secretary of our Company with effect from September 27, 2019. She was appointed as Compliance Officer of our Company with effect from September 3, 2021. She holds a bachelor's degree in Commerce from Devi Ahilya Vishwavidyalaya, master's degree in Commerce from Devi Ahilya Vishwavidyalaya and is a member of the Institute of Company Secretaries of India. Prior to joining our Company, she was associated as Company Secretary and Compliance Officer with Manav Infra Projects Limited. She has received a remuneration of ₹ 0.54 million in Fiscal 2021.

Senior Management Personnel

The details of our Senior Management Personnel as on the date of this Draft Red Herring Prospectus are as follows:

Arun Om Lal is the Senior Vice President- Marketing of our Company with effect from April 1, 2020. He was appointed as Chief Operating Officer IT with effect from April 1, 2010. He holds a bachelor's degree in Commerce from University of Mumbai and master's degree in Marketing Management from University of Mumbai. Prior to joining our Company, he worked as Executive in Marketing with General Telecommunications & Electronics Private Limited, Mount Everest Mineral Water Limited as Head Sales-Marketing and Operation and as Sales Supervisors with Pace Interiors. He has received a remuneration of ₹ 4.44 million in Fiscal 2021.

Amit Kataria, is the Chief Operating Officer of our Company with effect from April 1, 2020. He was initially appointed as Vice President – Operations with effect from May 2, 2016. He holds a degree in S. E. (Metallurgy) from

University of Poona and holds master's degree in Business Administration from Indian Institute of Management, Bangalore. Prior to joining our Company, he was associated as Manager with Dr. Reddy's Laboratories Limited, as Marketing executive with AGIV (Gulf) Limited, as Deputy General Director with Remedia LLC and as CEO and MD with Remedia Therapeutics Private Limited. He has received a remuneration of ₹ 7.48 million in Fiscal 2021.

Jayanti Prasad Pathak is the General Manager- Sales and Marketing –Healthcare of our Company with effect from July 26, 2021.He holds a bachelor's degree in Science from Rohilkhand University. Prior to joining our Company, he was associated as Medical Representative with The Pharmaceutical Company of India, as Area Sales Executive with Tamil Nadu Dadha Pharmaceuticals Ltd., as Chief General Manager-Sales & Marketing (Pharma Division) with Tablets (India) Limited, as AVP-Sales & Marketing with Oaknet Healtcare Private Limited, as Assistant Vice President with J.B. Chemicals & Pharmaceuticals Limited and as National Sales Manager with Dr. Reddy's Laboratories Ltd. He was also previously associated with Cadila Pharmaceuticals Limited, Wanbury Limited. Since he was appointed in Fiscal 2022, he did not receive any remuneration in Fiscal 2021

Yashwant Mukund Bhaid is the Vice President- Human Resource of our Company with effect from September 9, 2019. He holds a bachelor's degree in Engineering (Electronics) from Amravati University and master's degree in Human Resource Development Management from University of Mumbai. He also holds a Diploma in Quality Systems and Management from Narsee Monjee Institute of Management Studies. Prior to joining our Company, he was associated as Lecturer in Electronic Engineering Department with Babasaheb Naik College of Engineering, as Lecturer in Industrial Electronics Department with Agnel Polytechnic, as Training Officer with Ultra Tek Devices Ltd., as Senior Training Officer with TCE Consulting Engineers Limited, as HR & Business Consultant with Brainwave Consulting, as Manager HR-H-I & MNEF with Mahindra and Mahindra Limited, as Deputy General Manager –Human Resources with Wanbury Limited, as Deputy General Manager –Human Resources with Tata Johnson Control Automotive Ltd., as DGM –HR with EMCO Ltd. and as General Manager–HPD-DSB with Nagarjuna Fertilizers and Chemicals Limited. He has received a remuneration of ₹ 3.90 million in Fiscal 2021.

Relationship among Key Management Personnel and Directors

Except as disclosed in "*-Relationship between our Directors and Key Managerial Personnel*" on page 198, none of our other Key Management Personnel are related to each other.

Arrangements and understanding with major shareholders

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Shareholding of the Key Management Personnel

Except as disclosed in "*-Shareholding of our Directors and Key Managerial Personnel in our Company*" on page 201, none of our other Key Management Personnel hold any Equity Shares in our Company.

Retirement and termination benefits

Our Key Managerial Personnel have not entered into any service contracts with our Company which include termination or retirement benefits. Except statutory benefits upon termination of their employment in our Company or superannuation, none of the Key Managerial Personnel is entitled to any benefit upon termination of employment or superannuation.

Contingent and deferred compensation payable to Key Managerial Personnel

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel for Fiscal 2021, which does not form part of their remuneration for such period.

Bonus or profit-sharing plan of the Key Managerial Personnel

Except for annual performance bonus policy effective from March 1, 2017, our Company has no profit-sharing plan in which the Key Managerial Personnel participate.

Interest of our Key Management Personnel

The Key Management Personnel of our Company do not have 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 their service.

The Key Management Personnel may also be deemed to be interested in the Equity Shares, if any, held by them, and dividend payable to them and other distributions in respect of Equity Shares held by them, if any.

Further, our Key Management Personnel may be deemed to be interested to the extent as disclosed in "*-Interest of Directors*" on page 203.

Changes in the Key Management Personnel in last three years

The details of the changes in the Key Management Personnel of our Company in the last three years are as follows:

Name	Designation	Date of change	Reason of change
Guman Mal Jain	Chief Financial Officer	September 6, 2021	Appointment
Poonam Sharma	Company Secretary and Compliance Officer	September 27, 2019	Appointment
Surabhi Dubey	Company Secretary	June 17, 2019	Resignation

The rate of attrition of our Key Managerial Personnel is not high in comparison to the industry in which we operate.

Employee stock option plan

For details of the employee stock options plans of our Company, see "*Capital Structure – Employee Stock Option Scheme*" on page 86.

Payment or benefits to the Key Management Personnel (non-salary related)

Except as disclosed in this section and in the sub-section titled "*Capital Structure – Employee Stock Option Scheme*" on page 86 in relation to the employee stock option plans, no non-salary amount or benefit has been paid or given or is intended to be paid or given to any of our Company's officers and Key Management Personnel within the two preceding years from the date of filing of this Draft Red Herring Prospectus, other than in the ordinary course of their employment.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

The Promoters of our Company are Arun Purushottam Kelkar, Subhash Purushottam Kelkar, Vikram Arun Kelkar and Dr. Nikhil Arun Kelkar. As on date of this Draft Red Herring Prospectus, the Promoters, in aggregate, hold 95,696,511 Equity Shares in our Company, representing 86.60% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company.

For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – Details of shareholding of our Promoters and members of the Promoter Group*" on page 80.

A. Details of our individual Promoters are as follows:

Arun Purushottam Kelkar

Arun Purushottam Kelkar, aged 71 years, is one of our Promoters and is also the Chairman and Executive Director on our Board. For the complete profile of Arun Purushottam Kelkar, i.e., his date of birth, residential address, educational qualifications, professional experience, positions/ posts held in the past and other directorships, special achievements, business and other activities, see "*Our Management*" on page 193.

His permanent account number is AABPK1878P. His aadhar card number is [redacted]. His driving license number is MH02 20100171155.

Subhash Purushottam Kelkar

Subhash Purushottam Kelkar, aged 62 years, is one of our Promoters and is also the Executive Director our Board. For a complete profile of Subhash Purushottam Kelkar, i.e., his date of birth, residential address, educational qualifications, professional experience, positions/ posts held in the past and other directorships, special achievements, business and other activities, see "*Our Management*" on page 193.

His permanent account number is AHAPK5876F. His aadhar card number is [redacted]. His driving license number is MH15 20110003309.

Vikram Arun Kelkar

Vikram Arun Kelkar, aged 40 years, is one of our Promoters and is also the Managing Director on our Board. For a complete profile of Vikram Arun Kelkar, i.e., his date of birth, residential address, educational qualifications, professional experience, positions/ posts held in the past and other directorships, special achievements, business and other activities, see "*Our Management*" on page 193.

His permanent account number is ANVPK0266A. His aadhar card number is [redacted]. His driving license number is MH02 20000004630.

Dr. Nikhil Arun Kelkar

Dr. Nikhil Arun Kelkar, aged 42 years, is one of our Promoters and is also the Joint Managing Director on our Board. For a complete profile of Dr. Nikhil Arun Kelkar, i.e., his date of birth, residential address, educational qualifications, professional experience, positions/ posts held in the past and other directorships, special achievements, business and other activities, see "*Our Management*" on page 193.

His permanent account number is AGYPK7281K. His aadhar card number is [redacted]. His driving license number is MH02 20100017545.

Our Company confirms that the permanent account numbers, bank account number(s and the passport number of each of our Promoter shall be submitted to the Stock Exchanges, at the time of filing of this Draft Red Herring Prospectus with them.

Change in management and control of our Company

There has not been any change in the management and control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Interest of Promoters

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their respective shareholding in our Company, directly or indirectly along with that of their relatives, their directorship in our Company and the dividends payable, if any, and any other distributions in respect of their respective shareholding in our Company or the shareholding of their relatives in our Company, from time to time. For further details of our Promoters' shareholding, see "*Capital Structure*" on page 72. For further details of interest of our Promoters in our Company, see "*Financial Statements*" on page 223.

Our Promoters are also interested in our Company to the extent of their shareholding in our Subsidiaries, Promoter Group with which our Company transacts during the course of its operations. For more details, please see "*Related Party Transactions*" on page 282.

Arun Purushottam Kelkar, Subhash Purushottam Kelkar, Vikram Arun Kelkar and Dr. Nikhil Arun Kelkar, who are also Directors of our Company, may be deemed to be interested to the extent of remuneration, benefits, reimbursement of expenses, and commission payable, if any. For further details, see "*Our Management - Payment or benefit to Directors of our Company – Remuneration to Executive Directors*" on page 199.

Our Promoters are also interested to the extent of other remuneration, commission and reimbursement of expenses, payable to their relatives by our Company and its Subsidiaries. For further details, see "*Other Financial Information - Related Party Transactions*" on page 306.

Our Promoters does not have any interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it as on the date of this Draft Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery, or other such transaction. For further details, see "*Other Financial Information - Related Party Transactions*" on page 306.

Our Promoters do not have any direct or indirect interest in the properties that our Company has taken on lease.

Except any remuneration, no sum has been paid or agreed to be paid to any of our Promoters or to any firm or company in which any of our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce any of our individual Promoters to become, or qualify them as a director, or otherwise for services rendered by any of our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Payment or benefits to our Promoters or our Promoter Group

Except in the ordinary course of business and as disclosed in *"Other Financial Information - Related Party Transactions*" and "*Restated Consolidated Financial Statements – Related party disclosures"* on pages 306 and 282, respectively, no amount or benefit has been paid or given to our Promoters or any of the members of the Promoter Group during the two years preceding the filing of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or any of the members of the Promoter Group other than in the ordinary course of business.

The remuneration to the Promoters is being paid in accordance with their respective terms of appointment.

Litigations involving our Promoters

Except as disclosed under "*Outstanding Litigation and Material Developments*" on page 329, there is no litigation or legal and regulatory proceedings involving our Promoters as on the date of this Prospectus.

Companies or firms with which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any company or firm in the last three years preceding the date of this Draft Red Herring Prospectus.

Experience of our Promoter in the business of our Company

For details in relation to experience of our Promoter in the business of our Company, see "*Our Management*" on page 193.

Material Guarantees

Other than the guarantees provided by our Promoters in relation to certain of our loans as and when required, 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 Red Herring Prospectus. For details see, "*Financial Indebtedness*" and "*Restated Financial Statements – Notes to the Restated Financial Statements*" on pages 308 and 223.

Confirmations

Our Promoters and members of our Promoter Group have not been declared wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by Reserve Bank of India.

Our Promoters and members of our Promoter Group have not been 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 are not and have never been promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Promoter Group

In addition to our Promoters, individual and entities that form part of the Promoter Group of our Company in terms of Regulation 2(1(pp of the SEBI ICDR Regulations are set out below:

Natural persons who are part of our Promoter Group

The following table sets forth details of the natural persons who are part of our Promoter Group (due to their relationship with our Promoters:

Name of the Promoter	Name of relative	Relationship
Arun Purushottam Kelkar	Anuradha Arun Kelkar	Spouse
	Subhash Purushottam Kelkar	Brother
	Sanjivani Dopeshwarkar	Sister
	Dr. Nikhil Arun Kelkar	Son
	Vikram Arun Kelkar	Son
	Sulabha Athavale	Spouse’s Mother
	Pradeep Athavale	Spouse’s Brother
	Vaishali Pendharkar	Spouse’s Sister
Subhash Purushottam Kelkar	Nutan Subhash Kelkar	Spouse
	Arun Purushottam Kelkar	Brother
	Sanjivani Dopeshwarkar	Sister
	Aditya Subhash Kelkar	Son
	Madhu Gajanan Gokhale	Spouse’s Father
	Nishant Madhu Gokhale	Spouse’s Brother
	Nileema Gadgil	Spouse’s Sister
Vikram Arun Kelkar	Arun Purushottam Kelkar	Father
	Anuradha Arun Kelkar	Mother
	Preeti Kelkar	Spouse
	Dr. Nikhil Arun Kelkar	Brother
	Hurshvardhan Kelkar	Son
	Sudarshan Kelkar	Son
	Uttam Mali	Spouse’s Father
	Mamta Mali	Spouse’s Mother
	Ujjwal Mali	Spouse’s Brother
Dr. Nikhil Arun Kelkar	Arun Purushottam Kelkar	Father
	Anuradha Arun Kelkar	Mother
	Darshika Kelkar	Spouse
	Vikram Arun Kelkar	Brother
	Pratham Kelkar	Son
	Manilal Gada	Spouse’s Father
	Manjula Gada	Spouse’s Mother
	Dipti Shah	Spouse’s Sister

Entities forming part of our Promoter Group

1. Arun Kelkar (HUF); and
2. Sunrise Nutrition Private Limited

OUR GROUP COMPANY

Our Board has considered and adopted a policy for identifying the group companies of our Company in accordance with the SEBI ICDR Regulations and for purpose of disclosure in this Draft Red Herring Prospectus by a board resolution dated November 17, 2021 ("**Materiality Policy**"). In accordance with the said policy, the group companies shall include (i) all such companies covered under the schedule of related party transactions as per the Restated Financial Statements; (ii) such companies with which there were related party transactions during the period for which the Restated Financial Statements have been included in this Draft Red Herring Prospectus; and (iii) such other companies as considered "material" by our Board, in accordance with the Materiality Policy.

Based on the parameters outlined above, as on the date of this Draft Red Herring Prospectus, our Company does not have any Group Company.

DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by the Board and approved by our Shareholders, at their discretion, subject to the provisions of the AoA and other applicable law, including the Companies Act.

The dividend policy of our Company was adopted and approved by our Board in their meeting held on November 17, 2021(“**Dividend Policy**”).

In terms of the Dividend Policy, the dividend for any financial year shall not exceed 25% of the annual profits of our Company. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not decrease in the future. For details of risks in relation to our capability to pay dividend, see “*Risk Factors – Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements*.”, on page 46.

In accordance with the Dividend Policy, the Board shall consider *inter alia* the following financial and internal parameters before declaring dividend: (i) the circumstances under which the shareholders may or may not expect dividend (ii) financial parameters including internal factors that shall be considered while declaration of dividend; (iii) external factors that shall be considered while declaration of dividend; (iv) utilization of retained earnings; and (v) parameters with regard to various classes of shares.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our financing arrangements which our Company has availed or which it may enter into to finance our fund requirements for our business activities. For details, see “*Financial Indebtedness*”, beginning on page 308.

Equity Shares and CCPS

The details of dividend paid on equity shares and preference shares paid by our Company in the last three Fiscals and the current Financial Year is set out in the following table:

Equity Shares

Particulars	From October 1, 2021 till date of this Draft Red Herring Prospectus	Six-month period ended September 30, 2021	Financial year ended		
			March 31, 2021	March 31, 2020	March 31, 2019
Number of Equity Shares	11,05,02,404	11,05,02,404	11,05,02,404	11,05,02,404	11,02,42,404
Face Value of Equity Share (per share) (₹)	1	1	1	1	1
Interim Dividend on each Equity Share	0	0	0	0	0
Final Dividend on each Equity Share excluding Dividend Distribution Tax (₹)	0.15	0	0.15	0.10	0
Final Dividend on each Equity Share including Dividend Distribution Tax (₹)	0.15	0	0.15	0.12	0
Dividend Rate for each Equity Share (%)	15%	0	15%	10%	0
Mode of payment of Dividend	NEFT / CHEQUE	-	NEFT/ CHEQUE	NEFT/ CHEQUE	-

Dividend to CCPS Holders

Particulars	From October 1, 2021 till date of this Draft Red Herring Prospectus	Six-month period ended September 30, 2021	Financial year ended		
			March 31, 2021	31 March 2020	31 March 2019
Number of CCPS Shares	1,22,08,212	1,22,08,212	1,22,08,212	1,22,08,212	1,22,08,212
Coupon Rate	0.0001%	0.0001%	0.0001%	0.0001%	0.0001%
Face Value of CCPS Share (per share) (₹)	FV 10	FV 10	FV 10	FV 10	FV 10
Interim Dividend on each CCPS Share	0	0	0	0	0
Final Dividend on each CCPS Share excluding Dividend Distribution Tax (₹)	0.000001	0	0.000001	0.000001	0
Final Dividend on each CCPS Share including Dividend Distribution Tax (₹)	0.000001	0	0.000001	0.000001	0
Dividend Rate for each CCPS Share (%)	0.0001%	0	0.0001%	0.0001%	0
Mode of payment of Dividend	NEFT	-	NEFT	NEFT	-

Special Dividend to CCPS Holders

Particulars	From October 1, 2021 till date of this Draft Red Herring Prospectus	Six-month period ended September 30, 2021	Financial year ended		
			March 31, 2021	March 31, 2020	March 31, 2019
Number of CCPS Shares	1,22,08,212	1,22,08,212	1,22,08,212	1,22,08,212	1,22,08,212
Face Value of CCPS Share (per share) (₹)	FV 10	FV 10	FV 10	FV 10	FV 10
Interim Dividend on each CCPS Share	0	0	0	0	0
Final Dividend on each CCPS Share excluding Dividend Distribution Tax (₹)*	0.15	0	0.15	0.10	0
Final Dividend on each CCPS Share including Dividend Distribution Tax (₹)	0.15	0	0.15	0.12	0
Dividend Rate for each CCPS Share (%)	15%	0	15%	10%	0
Mode of payment of Dividend	NEFT	-	NEFT	NEFT	-

Other than the dividends paid as set out above, no dividend was paid on Equity Shares or CCPS in the Fiscals 2019, 2020 and 2021 and six-month period ended on September 30, 2021 and the subsequent period until the date of this Draft Red Herring Prospectus.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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BHUWANIA & AGRAWAL ASSOCIATES
Chartered Accountants

A/403, Express Zone,
Off Western Express Highway,
Malad (East), Mumbai – 400 097
Phone: 2876 6001 / 2876 6002
Email: info@bhuwaniaagrawal.com

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

To,
The Board of Directors
Hexagon Nutrition Limited
404, Global Chambers, Adarsh Nagar,
Link Road, Andheri (West),
Mumbai 400053

Dear Sirs,

1) We have examined the attached Restated Consolidated Financial Information, of Hexagon Nutrition Limited (formerly known as Hexagon Nutrition Private Limited) (hereinafter referred to as the "Company" or the "Holding Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), comprising the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for six months period ended September 30, 2021 and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 and the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of theCompany at their meeting held on 07th December 2021 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP"),RedHerring Prospectus ("RHP") and Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2) The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP, RHP and the Prospectusto be filed with Securities and Exchange Board of India, the National Stock Exchange of IndiaLimited and the BSE Limited and the Registrar of Companies in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 1 & 2 to the Restated Consolidated Financial Information. The respective Board of Directors of the companies included in the Group has responsibility which includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.

3) We have examined such Restated Consolidated Financial Information taking into consideration:

a) The terms of reference and terms of our engagement agreed upon with you in accordancewith our engagement letter dated 05th October 2021 in connection with the proposed IPO of equity shares of the Company;

b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and

d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations, the Guidance Note and aforesaid directions in connection with the Proposed IPO.

4) The Restated Consolidated Financial Information, have been compiled by the management from:

a) the audited special purpose interim consolidated financial statements of the Group as at and for the six months period ended September 2021, prepared in accordance with the basis of preparation described in Note 1 & 2 to the Restated ConsolidatedFinancial Information, which have been approved by the Board of Directors at their meeting held on 07th December 2021; and

b) the audited special purpose consolidated financial statements of the Group as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared in accordance with the basis of preparation described in Note 1 & 2 to the Restated Consolidated Financial Information, which have been approved by the Board of Directors at their meeting held on 07th December 2021.

5) For the purpose of our examination, we have relied on the Auditors' reports issued by us dated 07th December 2021 on the special purpose consolidated financial statements of the Group as at September 30,2021 and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 as referred in Paragraph 4 above.

6) As indicated in our audit reports referred above, we did not audit financial statements of three subsidiaries as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 and for the six months period ended September 30, 2021 whose share of total assets, net assets, total revenues, total comprehensive income and net cash inflows / (outflows) included in the consolidated financial statements, for the relevant years is tabulated below, which have been audited by other auditors and whose reports have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditors:

(In INR Million)

Particulars	**As at and for the six months period ended September 30, 2021**	**As at and for the year ended March 31, 2021**	**As at and for the year ended March 31, 2020**
Number of Subsidiaries	3	3	2
Total Assets	96.68	96.26	52.99
Net Assets	(17.37)	(6.13)	2.32
Total Revenue	14.89	17.36	-
Total Comprehensive Income	(12.22)	(7.70)	(3.31)
Net cash inflows / (outflows)	(3.41)	(4.27)	22.22

Further, all of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries, located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the special purpose consolidated financial statements in so far as it relates to the balances and affairs of such subsidiaries located outside India, are based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

The other auditors of the subsidiaries as mentioned above, have examined the restated consolidated financial information and have confirmed that the restated consolidated financial information have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year March 31, 2021, March 31, 2020 and March 31, 2019 and in the six months period ended September 30, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six months period ended September 30, 2021.

7) Based on our examination and according to the information and explanations given to us andalso as per the reliance placed on the examination report submitted by the other auditors for the respective years, we report that the Restated Consolidated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 and in the six months period ended September 30, 2021 to reflect the same accounting treatment as per the accounting policiesand grouping/classifications followed as at and for the six months period ended September 30, 2021; and

b) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8) The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose consolidated financial statement and special purpose consolidated financial statements mentioned in paragraph 4 above.

9) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11) Our report is intended solely for use of the Board of Directors for inclusion in the DRHP, RHP and Prospectus to be filed with Securities and Exchange Board of India, National Stock Exchangeof India Limited and BSE Limited and Registrar of Companies in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or anyduty of care for any other purpose or to any other person to whom this report is shown or intowhose hands it may come without our prior consent in writing.

12) This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the DRHP, RHP and the Prospectus, prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Company with the Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited

and the Registrar of Companies, Maharashtra at Mumbai in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our opinion consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without prior consent in writing.

For BHUWANIA & AGRAWAL ASSOCIATES
(Firm Registration no. 101483W)

N. K. Agrawal
(Partner)
Membership No. : 034659
UDIN : 21034659AAAAEK9910
Date : 07th December 2021
Place : Mumbai

ANNEXURE I - RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Note No.	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
ASSETS					
NON-CURRENT ASSETS					
Property, Plant and Equipment	3	481.12	488.06	475.80	518.76
Capital Work-in-progress	3	74.59	11.53	9.20	9.74
Right to use Assets	4	16.28	16.90	18.14	19.38
Other Intangible Assets	5	1.78	2.24	4.05	7.29
Financial Assets					
Other Financial Assets	6	4.57	4.39	4.52	5.43
Deferred Tax Assets	7	21.32	25.81	38.39	57.15
Other Non Current Assets	8	11.39	8.02	2.73	1.67
CURRENT ASSETS					
Inventories	9	653.29	596.95	542.90	409.03
Financial Assets					
Investments	10	104.50	180.51	115.48	68.72
Trade Receivables	11	580.04	404.64	413.93	567.95
Cash and Cash Equivalents	12	123.25	175.05	160.28	33.95
Bank Balance other than Cash and Cash Equivalents	13	61.07	44.99	80.41	37.03
Other Financial Assets	14	45.97	48.76	53.99	72.38
Current Tax Assets	15	42.94	83.02	53.96	60.87
Other Current Assets	16	62.08	44.75	47.58	46.37
Total Assets		**2,284.19**	**2,135.62**	**2,021.36**	**1,915.72**
EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	17	110.50	110.50	110.50	110.24
Other Equity	18	1,420.10	1,269.76	1,056.86	882.23
		1,530.60	**1,380.26**	**1,167.36**	**992.47**
Non - Controlling interest		-	-	-	-
Total Equity		**1,530.60**	**1,380.26**	**1,167.36**	**992.47**
NON-CURRENT LIABILITIES					
Financial Liabilities					
Borrowings	19	53.77	71.23	119.44	154.66
Other Financial Liabilities	20	16.23	16.53	17.24	15.79
Provisions	21	41.32	31.87	30.55	17.34
CURRENT LIABILITIES					
Financial liabilities					
Borrowings	22	190.56	131.42	217.06	147.83
Trade Payables	23				
Total outstanding dues to micro enterprise and small enterprise		64.78	38.50	36.17	18.69
Total outstanding dues to creditors other than micro enterprise and small enterprise		221.05	316.20	286.40	432.23
Other Financial Liabilities	24	73.23	51.19	53.68	53.51
Other Current Liabilities	25	29.61	19.30	26.29	25.08
Provisions	26	7.81	7.24	9.67	10.70
Current Tax Liabilities (Net)	27	55.23	71.88	57.50	47.42
TOTAL EQUITY AND LIABILITIES		**2,284.19**	**2,135.62**	**2,021.36**	**1,915.72**
Significant accounting policies	1- 2.1				
Notes to the consolidated Ind AS financial statements	2.2 - 55				

As per our report of even date

For Bhuwania and Agrawal Associates
Chartered Accountants
Firm's Registration Number : 101483W

N. K. Agrawal
(Partner)
Membership No. 034659
UDIN : 21034659AAAAEK9910

For and on behalf of the Board of Directors

Arun Kelkar
(Chairman)
DIN-00171276

Vikram Kelkar
(Managing Director)
DIN-02302364

Dr. Nikhil Kelkar
(Jt. Managing Director)
DIN-02302369

Guman mal Jain
(Chief Financial Officer)

Poonam Sharma
(Company Secretary)
ACS 51338

Place : Mumbai
Date : 7th December 2021

HEXAGON NUTRITION LIMITED (Formerly known as HEXAGON NUTRITION PRIVATE LIMITED)
CIN : U24110MH1993PLC072189

ANNEXURE II - RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(All amounts in Rupees millions, unless otherwise stated)

Particulars	Note No.	Six Month Ended September 30, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
INCOME					
Revenue from Operations	28	1,248.87	2,099.70	2,038.42	2,306.46
Other Income	29	20.35	54.65	69.84	52.56
Total Income		**1,269.22**	**2,154.35**	**2,108.26**	**2,359.02**
EXPENSES					
Cost of Materials Consumed	30	595.31	1,102.78	1,069.30	1,271.98
Purchases of Stock-in-Trade		32.68	69.52	38.57	7.30
Changes in inventories of Finished Goods and Stock - in- process	31	15.83	(35.92)	(23.74)	48.84
Employee Benefits Expenses	32	169.26	307.98	316.13	311.84
Finance Costs	33	10.10	25.83	32.91	41.97
Depreciation and Amortisation Expense	34	31.19	61.41	69.68	78.46
Other Expenses	35	212.77	330.32	361.75	401.14
Total Expenses		**1,067.14**	**1,861.92**	**1,864.60**	**2,161.53**
Profit Before Exceptional Items and Tax		**202.08**	**292.43**	**243.66**	**197.49**
Loss on Sale of Fixed Assets		(0.23)	0.34	1.11	-
Provision for doubtful debts		(7.66)	(9.10)	(10.96)	4.11
Provision for Expected Credit Loss		(2.95)	(10.21)	(10.34)	3.88
Profit Before Tax		**212.92**	**311.40**	**263.85**	**189.50**
Tax Expenses					
Current Tax		55.23	71.88	57.50	47.42
Deferred Tax Expense/(Credit)		5.60	11.13	20.31	(6.68)
Tax For Earlier Years		0.00	(0.22)	0.37	0.51
Profit for the Year/Period (A)		**152.09**	**228.61**	**185.67**	**148.25**
Other Comprehensive Income (OCI)					
Items that will not be reclassified subsequently to Profit or Loss:					
- Remeasurement of post employment benefit obligation		(3.85)	5.01	(5.31)	(0.14)
- Income tax effect on above		1.12	(1.46)	1.55	0.04
Items that will be reclassified subsequently to profit or loss		-	-	-	-
- Exchange differences in translating the financial statements of foreign operations		0.98	(0.84)	3.11	-
Other Comprehensive Income for the year/period, net of tax (B)		**(1.75)**	**2.71**	**(0.65)**	**(0.10)**
Total Comprehensive Income for the year/period (A+B)		**150.34**	**231.32**	**185.02**	**148.15**
Profit for the Year/Period (A)					
Owners of the Company		152.09	228.61	185.67	148.25
Non-Controlling Interest		-	-	-	-
Other comprehensive income (OCI) (B)					
Owners of the Company		(1.75)	2.71	(0.65)	(0.10)
Non-Controlling Interest		-	-	-	-
Total comprehensive income for the year/period (A+B)					
Owners of the Company		150.34	231.32	185.03	148.15
Non-Controlling Interest		-	-	-	-
Earnings per share (of Re. 1 each)	36				
- (in Rs.) Basic		**1.38**	**2.07**	**1.68**	**1.34**
- (in Rs.) Diluted		**1.24**	**1.86**	**1.51**	**1.21**
Significant accounting policies	1- 2.1				
Notes to the consolidated Ind AS financial statements	2.2 - 55				

As per our report of even date

For Bhuwania and Agrawal Associates
Chartered Accountants
Firm's Registration Number : 101483W

N. K. Agrawal
(Partner)
Membership No. 034659
UDIN : 21034659AAAAEK9910

For and on behalf of the Board of Directors

Arun Kelkar
(Chairman)
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Dr. Nikhil Kelkar
(Jt. Managing Director)
DIN-02302369

Guman mal Jain
(Chief Financial Officer)

Poonam Sharma
(Company Secretary)
ACS 51338

Place : Mumbai
Date : 7th December 2021

ANNEXURE III - RESTATED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts in Rupees millions, unless otherwise stated)

A) Equity Share Capital

Particulars	Number	Amount
Equity Shares of Re.1 Each fully paid up		
Balance as at 1 April 2018	**10,98,84,904**	**109.88**
Changes in equity share capital during the year	3,57,500	0.36
Balance as at 31 March 2019	**11,02,42,404**	**110.24**
Changes in equity share capital during the year	2,60,000	0.26
Balance as at the 31 March 2020	**11,05,02,404**	**110.50**
Changes in equity share capital during the year	-	-
Balance as at the 31 March 2021	**11,05,02,404**	**110.50**
Changes in equity share capital during the period	-	-
Balance as at the 30 September 2021	**11,05,02,404**	**110.50**

B) Other Equity

0.0001% Cumulative Compulsorily Convertible Preference Shares of Rs.10 each fully paid up;

Particulars	Number	Amount
Balance as at 31 March 2018	**1,22,08,212**	**122.08**
Issue of CCPS during the year	-	-
Balance as at 31 March 2019	**1,22,08,212**	**122.08**
Issue of CCPS during the year	-	-
Balance as at the 31 March 2020	**1,22,08,212**	**122.08**
Issue of CCPS during the year	-	-
Balance as at the 31 March 2021	**1,22,08,212**	**122.08**
Issue of CCPS during the period	-	-
Balance as at the 30 September 2021	**1,22,08,212**	**122.08**

ANNEXURE III - RESTATED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts in Rupees millions, unless otherwise stated)

Particulars	0.0001% Cumulative Compulsorily Convertible Preference Shares of Rs.10 each fully paid up	Reserves and surplus			Other comprehensive income		Total Other Equity
		Securities Premium Reserve	General Reserve	Retained Earnings	Foreign currency Translation Reserve	Remeasurement of post employment benefit obligation (net of taxes)	
Balance as at 1 April 2018	**122.08**	**160.05**	**54.69**	**396.31**	**-**	**-**	**733.13**
Total comprehensive Income/(Loss) for the year	-	-	-	148.25	-	(0.10)	148.15
Due to Issue of Equity	-	3.71	-	-	-	-	3.71
Transition impact of Ind AS 116	-	-	-	(2.76)	-	-	(2.76)
Balance as at 31 March 2019	**122.08**	**163.76**	**54.69**	**541.80**	**-**	**(0.10)**	**882.23**
Due to Issue of Equity	-	4.37	-	-	-	-	4.37
Foreign currency Translation Reserve	-	-	-	-	3.11	-	3.11
Dividend Paid							
- On Cumulative convertible preference shares	-	-	-	(0.00)	-	-	(0.00)
- On equity shares				(14.76)	-	-	(14.76)
Total comprehensive Income/(Loss) for the year	-	-	-	185.67	-	(3.76)	181.91
Balance as at 31 March 2020	**122.08**	**168.13**	**54.69**	**712.71**	**3.11**	**(3.86)**	**1,056.86**
Total comprehensive Income/(Loss) for the year	-	-	-	228.61	-	3.55	232.16
Foreign Currency Translation Reserve	-	-	-	-	(0.84)	-	(0.84)
Dividend Paid;							
- On Cumulative Convertible Preference Shares	-	-	-	(0.01)	-	-	(0.01)
- On Equity Shares	-	-	-	(18.41)	-	-	(18.41)
Proposed dividend;							
- On Cumulative Convertible Preference Shares	-	-	-	(0.00)	-	-	(0.00)
Balance as at 31 March 2021	**122.08**	**168.13**	**54.69**	**922.90**	**2.27**	**(0.31)**	**1,269.76**
Total Comprehensive Income/(Loss) for the period	-	-	-	152.09	-	(2.73)	149.36
Foreign Currency Translation Reserve	-	-	-	-	0.98	-	0.98
Balance as at 30 September 2021	**122.08**	**168.13**	**54.69**	**1,074.99**	**3.25**	**(3.04)**	**1,420.10**

Significant Accounting Policies 1- 2.1
Notes to the Consolidated Ind AS Financial Statements 2.2 - 55

As per our report of even date attached

For Bhuwania and Agrawal Associates
Chartered Accountants
Firm's Registration Number : 101483W

N. K. Agrawal
(Partner)
Membership No. 034659
UDIN : 21034659AAAAEK9910

For and on behalf of the Board of Directors

Arun Kelkar
(Chairman)
DIN-00171276

Vikram Kelkar
(Managing Director)
DIN-02302364

Dr. Nikhil Kelkar
(Jt. Managing Director)
DIN-02302369

Guman mal Jain
(Chief Financial Officer)

Poonam Sharma
(Company Secretary)
ACS 51338

Place : Mumbai
Date : 7th December 2021

ANNEXURE IV - RESTATED CONSOLIDATED CASH FLOW STATEMENT

(All amounts in Rupees millions, unless otherwise stated)

PARTICULARS	Six Month Ended September 30, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
A) CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before Tax as per Statement of Profit and Loss	**212.92**	**311.40**	**263.85**	**189.50**
Adjustment for :				
Interest Income	(1.17)	(5.11)	(2.69)	(1.76)
Profit on sale of Investments	(1.40)	(4.34)	(6.63)	(0.30)
Dividend Received on Mutual Fund	-	-	(0.42)	-
Depreciation and Amortisation	31.19	61.41	69.68	78.46
Remeasurement of post employment benefit obligation	(3.85)	5.01	(5.31)	(0.14)
Provision for doubtful debts	7.66	9.10	10.96	(4.11)
Provision for Expected Credit Loss	2.95	10.21	10.34	(3.88)
Loss/(Gain) on Sale of Property, Plant and Equipment's	(0.23)	0.34	1.11	-
Interest paid	10.10	25.83	32.91	41.97
Operating Profit before Working Capital Changes	**258.17**	**413.85**	**373.80**	**299.75**
Adjusted for :				
Increase/Decrease in Trade Receivables	(186.01)	(10.02)	132.72	(59.41)
Increase/Decrease in Inventories	(56.34)	(54.06)	(133.87)	156.26
Increase/Decrease in Other Financial Assets	2.62	5.36	19.30	(13.68)
Increase/Decrease in Other Assets	(20.70)	(2.47)	(2.26)	19.41
Increase/Decrease in Trade Payables	(68.88)	32.13	(128.35)	18.45
Increase/Decrease in Other Financial Liabilities	21.74	(3.19)	1.61	15.35
Increase/Decrease in Other Liabilities	10.31	(6.99)	1.21	(24.18)
Increase/Decrease in Employee Benefits	10.01	(1.11)	12.18	11.87
Foreign currency Translation Reserve	0.98	(0.84)	3.11	-
Cash generated from operations	**(28.10)**	**372.66**	**279.45**	**423.82**
Direct Taxes paid (incl TDS net off refund recd)	(31.80)	(86.34)	(40.87)	(60.91)
Net Cash from Operating Activities (A)	**(59.90)**	**286.32**	**238.58**	**362.90**
B) CASH FLOW FROM INVESTING ACTIVITIES :				
Purchases of Property, Plant and Equipment, Intangibles & Capital Work in Progress	(85.97)	(73.29)	(22.83)	(73.46)
Investment in Mutual Fund	77.40	(60.69)	(40.12)	(68.42)
Investment in Equity Shares	-	-	-	0.00
Interest Income	1.17	5.11	2.69	1.76
Dividend Received on Mutual Fund	-	-	0.42	-
Investment in bank deposit	(16.08)	35.42	(43.38)	(30.75)
Net cash used in investing activities (B)	**(23.48)**	**(93.45)**	**(103.22)**	**(170.87)**
C) CASH FLOW FROM FINANCING ACTIVITIES :				
Dividend paid	-	(18.42)	(14.76)	-
Proceeds from issue of Share Capital	-	-	0.26	0.36
Share Premium Account	-	-	4.37	3.71
Interest Paid	(10.10)	(25.83)	(32.91)	(41.97)
Repayment/ Proceeds from Long-Term Borrowings	(17.46)	(48.20)	(35.22)	(17.12)
Repayment/ Proceeds from Short-Term Borrowings	59.14	(85.65)	69.23	(172.93)
Net cash used in / (from) Financing Activities (C)	**31.58**	**(178.10)**	**(9.03)**	**(227.94)**
Net Increase in Cash & Cash Equivalents (A+B+C)	**(51.80)**	**14.77**	**126.33**	**(35.91)**
Cash & Cash Equivalents (Opening Balance)	175.05	160.28	33.95	69.86
Cash & Cash Equivalents (Closing Balance)	**123.25**	**175.05**	**160.28**	**33.95**

The above Cash Flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS-7) on " Cash Flow Statements" as notified by the Companies (Accounting Standard) Rules, 2015.

Significant accounting policies	1- 2.1
Notes to the consolidated Ind AS financial statements	2.2 - 55

As per our report of even date

For Bhuwania and Agrawal Associates
Chartered Accountants
Firm's Registration Number : 101483W

N. K. Agrawal
(Partner)
Membership No. 034659
UDIN : 21034659AAAAEK9910

Place : Mumbai
Date : 7th December 2021

For and on behalf of the Board of Directors

Arun Kelkar
(Chairman)
DIN-00171276

Vikram Kelkar
(Managing Director)
DIN-02302364

Dr. Nikhil Kelkar
(Jt. Managing Director)
DIN-02302369

Guman mal Jain
(Chief Financial Officer)

Poonam Sharma
(Company Secretary)
ACS 51338

1. Corporate information

Hexagon Nutrition Limited (formerly known as Hexagon Nutrition Private Limited) (‘the Company) is a company domiciled in India and registered under applicable companies Act. The Company is engaged in manufacturing and trading of nutraceuticals clinical or dietary supplements, micronutrient premixes and animal feed. Micronutrient Premix business of the Company focuses on the needs of fortifying basic foods with the right blend of micronutrients to meet the needs of the masses. Clinical Nutrition or Dietary Supplements offered by the company is intended to provide nutrients that may otherwise not be consumed in sufficient quantities by the masses. The range of feed additives offered by the Company to ensure wholesome nutrition for various animals.

The restated consolidated Financial Statements comprise of restated Ind AS financials Statements of Hexagon Nutrition Limited (‘the company’ ‘the parent’ or the Holding Company’) and its subsidiaries (the holding company and its subsidiaries together referred to as ‘the Group’).

The Company has converted from a Private Limited Company to a Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the Shareholders of the Company held on 14 October 2021 and consequently the name of the Company has changed to Hexagon Nutrition Limited pursuant to a fresh certificate of incorporation issued by the Registrar of Companies, Mumbai on 15th November, 2021.

The registered office of the Company is located at 404 Global Chambers Adarsh Nagar Link Road Andheri (West), Mumbai – 400053.

The restated consolidated financial statements are approved for issue in accordance with a resolution of the board of directors on 7th December 2021.

2. Significant accounting policies

2.1 Basis of accounting, preparation and principles of Consolidated Financial Statements:

These Restated consolidated financial statements (hereinafter referred to as ‘Restated consolidated financial statements’) of Hexagon Nutrition Limited (‘the Company’) and its subsidiaries (hereinafter referred to as ‘the Group’), have been prepared in all material aspects in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 (‘the Act’) read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India. The Restated Consolidated Financial Statements of the Group comprises the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2021, March 31, 2021, March 31, 2020, March 31, 2019 and the Restated Consolidated Statement of Profit & Loss (including other comprehensive income), Restated Consolidated Statement of Changes in Equity, Restated Consolidated Statement of Cash Flows for the six months ended September 30, 2021, and years ended March 31, 2021, March 31, 2020 and March 31, 2019 and the summary statement of significant accounting policies and other explanatory information (hereinafter collectively referred to as “Restated Consolidated Financial Statements”) have been prepared specifically for inclusion in the Offer Document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with proposed Initial Public Offering ("IPO") through Offer for sale by selling shareholders, in accordance with the requirements of:

a) Section 26 of part I Chapter III of the Companies Act 2013 (the "Act");

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

c) Guidance Note on Reports in company prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ('ICAI') (referred to as the Guidance Note).

The Restated Consolidated Financial Statements has been compiled:

a) from the audited interim Ind AS consolidated financial statements of the Group as at and for the six months ended September 30, 2021 which were prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting", as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable, which have been approved by the Board of Directors at their meeting held on 7th December 2021; and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 which have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable, which have been approved by the Board of Directors at their meeting held on 7th December 2021, 7th December 2021 and 7th December 2021 respectively

The company has adopted the Revised Schedule III as issued by MCA and accordingly numbers of comparative period has been reclassified as required.

The Consolidated Financial Statements up to year ended March 31, 2021 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act ("previous GAAP"). Now these Financial are reinstated as per IND AS.

First time adoption of Ind AS

These are the Group's first consolidated financial statements prepared in accordance with Ind AS. For the year ended 31 March 2021, 31 March 2020 and 31 March 2019, the Group has prepared its consolidated financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in Note 2.4 have been applied in preparing these consolidated financial statements for the year ended 31 March 2021 including the comparative information for the year ended

31 March 2020 and 31 March 2019 and the opening consolidated Ind AS balance sheet on the date of transition i.e. 1 April 2018.

In preparing its consolidated Ind AS balance sheet as at 1 April 2018 and in preparing the comparative information for the year ended 31 March 2019, 31 March 2020 & 31 March 2021, the Group has adjusted amounts reported previously in consolidated financial statements prepared in accordance with previous GAAP. The below note explains the principal adjustments made by the Group in restating its consolidated financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Group's consolidated financial position, consolidated financial performance and consolidated cash flows.

A) Exemptions and exceptions availed

1. Ind-AS optional exemptions:

Ind AS 101 allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions:

a) Deemed cost

As per Ind AS 101 an entity may elect to:

(i) measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date

(ii) use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was, at the date of the revaluation, broadly comparable to:

− fair value;

− or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index.

(iii) use carrying values of property, plant and equipment and intangible assets as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101) if there has been no change in its functional currency on the date of transition.

This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. As permitted by Ind AS 101, the Group has elected to measure all of its property, plant and equipment and investment property at their previous GAAP carrying value.

b) For financial instruments, wherein fair market values are not available (viz. interest free and below market rate security deposits or loans) the Group has elected to adopt fair value recognition prospectively to transactions entered after the date of transition.

2. Ind AS mandatory exceptions:

a) An entity estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates at 31 March 2019 are consistent with the estimates as at the same date made in conformity with previous GAAP apart from the following items where application of Indian GAAP did not require estimation:

- FVTOCI – unquoted equity shares, compulsorily convertible preference shares and debt securities.
- FVTPL – investment in mutual funds
- Determination of the discounted value for financial instruments carried at amortised cost.
- Impairment of financial assets based on expected credit loss model

The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions at 1 April 2018, the date of transition to Ind AS and as of 31 March 2019, 31 March 2020 and 31 March 2021.

b) Impairment of financial assets
Ind AS 101 requires an entity to assess and determine the impairment allowance on financial assets as per Ind AS 109 using the reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments which were initially recognised and compare that to the credit risk at the date of transition to Ind AS. The Group has applied this exception prospectively.

c) Classification of financial assets and liabilities
Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of facts and circumstances that exist on the date of transition to Ind AS.

2.2 Basis of measurement

The Restated Consolidated Financial Statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and financial liabilities measured at fair value; and
- Defined Benefit plans – plan assets measured at fair value.
- Contingent consideration

The Restated Consolidated Financial Statements are presented in Indian Rupees "INR" and all values are stated as INR Millions, except when otherwise indicated.

2.3 Basis of consolidation

The list of subsidiaries considered for consolidation together with the proportion of shareholding held by the Group is as follows:

Sr. no	Entity name	Date of becoming subsidiary	Country of Incorporation	Nature of relationship	% Holding as at September 30, 2021	% Holding as at March 31, 2021	% Holding as at March 31, 2020	% Holding as at March 31, 2019
01	Hexagon Nutrition (Exports) Pvt. Ltd.	24 July, 2012	India	Subsidiary	100%	100%	100%	100%
02	Hexagon Nutrition (International) Pvt. Ltd.	26 December, 2012	India	Subsidiary	100%	100%	100%	100%
03	Nutralytica Research Pvt. Ltd.	29 October, 2014	India	Subsidiary	100%	100%	100%	100%
04	Hexagon Nutrition Healthcare Pvt. Ltd.	19 June, 2019	India	Subsidiary	100%	100%	100%	--
05	Hexagon Nutrition (PTY) Ltd.	21 January, 2020	South Africa	Subsidiary	100%	100%	100%	--
06	Hexagon Nutrition LLC	18 February, 2020	Uzbekistan	Subsidiary	100%	100%	100%	--
07	Hexagon Nutrition China Ltd.	19 March, 2020	Hong Kong	Subsidiary	100%	100%	--	--

#Nutralytica Research Private Limited is under Merger process with Hexagon Nutrition Limited (formerly known as Hexagon Nutrition Private Limited) and the Merger applicable is pending with Hon'ble NCLT Mumbai bench

Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the group controls an investee if and only if the group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

- Exposure, or rights, to variable returns from its involvement with the investee, and - The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the group has less than a majority of the voting or similar rights of an investee, the group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the restated consolidated Financial statements from the date the group gains control until the date the group ceases to control the subsidiary.

Restated Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., six months ended on September 30th and year ended on March 31st. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional restated financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the restated financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill, if any.
c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full).

Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Put options held by non-controlling interests in the Group's subsidiaries entitle the non-controlling interest to sell its interest in the subsidiary to the Group at pre-determined values and on contracted dates. In such cases the Group consolidates the non-controlling interest's share of the equity in the subsidiary and recognises the fair value of the non-controlling interest's put option, being the present value of the estimated future purchase price, as a financial liability in the restated consolidated Financial statements. In raising this liability, the non-controlling interest is derecognised, and any excess or shortfall is charged or realised directly in retained earnings in the statement of changes in equity.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non—controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the group had directly disposed of the related assets or liabilities

2.4 Summary of significant accounting policies

a. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Noncurrent Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

Business combinations under common control are accounted in accordance with Appendix C of IND AS 103 as per the pooling of interest method and the Ind AS Transition Facilitation Group Clarification Bulletin 9 (ITFG 9). ITFG 9 clarifies that, the carrying values of assets and liabilities as appearing in the standalone financial statements of the entities being combined shall be recognised by the combined entity.

As per Appendix C, Business Combinations of Entities under Common Control of Ind AS 103, Business Combinations, in case of common control business combinations, the assets and liabilities of the combining entities are reflected at their carrying amounts.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.
Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading

- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

c. **Foreign currencies**

Functional and presentation currency

The functional currency of the Company and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR). The functional currency of the subsidiaries are Indian Rupees (INR), South African Rand (ZAR), Hong Kong Dollar (HKD) and Uzbekistani So'm (UZS) where respective subsidiary company operate /exist.

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses average rate if the average approximates the actual rate at the date of the transaction.
Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.
Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting, such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit and loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation on or after 1 April 2016 and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the date of transition to Ind AS (1 April 2016), are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the parent and no further translation differences occur.

Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

d. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

- Financial assets include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, security deposits, investments in equity and debt securities;

- Financial liabilities include long-term and short-term loans and borrowings, lease liabilities, derivative financial liabilities, bank overdrafts and trade payables

Financial assets:

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through OCI, or fair value through profit or loss.

Initially, a financial instrument is recognized at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognized in determining the carrying amount, if it is not classified as at fair value through profit or loss and transactions costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

i) Financial assets at amortised cost:

A financial asset is classified as "financial asset at amortised cost" (amortised cost) under IND AS 109 Financial Instruments if it meets both the following criteria:
(1) The asset is held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows, and
(2) The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified date (the 'SPPI' contractual cash flow characteristics test).

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

ii) Financial assets at fair value through other comprehensive income (FVTOCI):

All equity investment in scope of IND AS 109 Financial Instruments are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which IND AS 103 Business Combinations applies are classified as fair value through profit or loss. For all other equity instruments, the Group may make irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-to-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument through fair value through other comprehensive income (FVTOCL), then all fair value changes in the instruments excluding dividends, are recognised in OCI and is never recycled to statement of profit and loss, even on sale of the instrument.

Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI

iii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets held for trading, e.g., derivative instruments, financial assets designated upon initial recognition at fair value through profit or loss, e.g., debt or equity instruments, or financial assets mandatorily required to be measured at fair value, i.e., where they fail the SPPI test. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that do not pass the SPPI test are required to be classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial liabilities and equity instruments:

a) Classification as debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

c) Financial liabilities

Financial liabilities are classified as either financial liabilities at 'FVTPL' or 'other financial liabilities'.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

i) Financial liabilities measured at amortized cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

ii) Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Gains or losses on liabilities held for trading are recognized in statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset with the net amount reported in the balance sheet only if there is a current enforceable legal right to offset the recognised amounts and there is an intent to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

The group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables, deposits and contract assets, the group applies a simplified approach in calculating ECLs. Therefore, the group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

e. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

However, sales tax/ value added tax (VAT)/ Goods and Service (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

No element of financing is deemed present as the majority of sales are on cash basis and credit sales are made with normal credit period consistent with market practice.

Income from trading sales

Revenue from sale of goods is recognised when the goods are delivered to customers, all significant contractual obligations have been satisfied and the collection of the resulting receivable is reasonably expected. Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of customer returns, trade allowance, rebates, goods and services tax and amount collected on behalf of third parties.

Income from sale of service

Revenue from sale of services is recognized in accordance with the terms of the relevant agreements and is net of goods and service tax (GST), where applicable as accepted and agreed with the customers.

Interest income

Interest income on financial assets at amortised cost is recognised using the effective interest method. Effective interest is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

Dividend income

Dividend income is recognised when the Group's right to receive the payment is established by the reporting date.

Contract balances-

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in point (d) above.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the group transfers the related goods or services. Contract liabilities are recognised as revenue when the group performs under the contract (i.e., transfers control of the related goods or services to the customer).

f. **Taxes**

Tax expense comprises of current tax and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in India where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

g. Property, plant and equipment

Recognition and measurement

All items of property, plant and equipment except Freehold Land are initially measured at cost and subsequently it is measured at cost less accumulated depreciation and impairment losses, if any. Freehold Land Cost is carried at cost, net of accumulated impairment loss, if any. comprises of purchase price and all costs incurred to bring the assets to their current location and condition for its intended use. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly Any subsequent cost incurred is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Capital work in progress comprises cost of property, plant and equipment (including related expenses), that are not yet ready for their intended use at the reporting date and it is carried at cost less accumulated impairment losses

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and carrying amount of the assets and are recognised in the statement of profit and loss when the asset is derecognised.

On transition to IND AS, the group has elected to continue with the carrying value of all its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation on Property, plant and equipment
Depreciation is calculated on the straight line basis over the estimated useful lives of the assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Group has used the following life to provide depreciation on its property, plant and equipment.

The rates of depreciation are equal to the corresponding rates prescribed in Schedule II to the Companies Act, 2013. Depreciation on addition / disposals during the year has been provided on pro rata.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

On transition to IND AS, the group has elected to continue with the carrying value of all its Intangible Assets measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Amortisation of intangible assets

Amortisation is calculated on the straight-line basis over the estimated useful lives of the assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Group has used the following life to provide amortisation on its intangible assets.

Class of asset	Useful lives estimated by the management (years)
Software	3 - 6 years
Product Development Cost	5 years

There are no intangible assets with indefinite useful lives.

i. Leases

The group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group's lease asset classes primarily consist of leases for buildings, Plant and Equipment and Computers. The group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

Right-of-use assets

The group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Leasehold land - Over the shorter of the lease term and the estimated useful lives of the assets

Lease Liabilities

At the commencement date of the lease, the group recognises lease liabilities measured at the present value of the future lease payments. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note k Impairment of non-financial assets.

Short-term leases and leases of low-value assets

The group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as an operating expense in the statement of profit and loss.

j. **Inventories**

Basis of valuation

Inventories other than scrap materials are valued at lower of cost and net realizable value. The comparison of cost and net realizable value is made on an item-by-item basis.

Method of valuation

Cost of raw materials, packing materials and traded goods are determined by using weighted average method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

k. **Impairment of Non-financial assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

l. Cumulative Compulsorily Convertible Preference Shares (CCPSs)

Cumulative Compulsorily Convertible Preference Shares is equity components based on the terms of the contract.

On issuance of the convertible preference shares, the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification.

m. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

n. Retirement and other employee benefits

Defined benefit plan

In accordance with applicable laws in India, the Group provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") for every employee who has completed 5 years or more of service on departure at 15 days salary (last drawn salary) for each completed year of service. The Gratuity Plan provides for a lump sum payment to eligible employees at retirement, death, incapacitation or termination of employment based on last drawn salary and tenure of employment with the Group.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date using projected unit credit method.

Past service costs are recognised in profit or loss on the earlier of:
- The date of the plan amendment or curtailment, and
- The date that the group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Defined contribution plan

The Group makes contributions to the Provident Fund scheme, a defined contribution benefit scheme. These contributions are deposited with Government administered fund and recognised as an expense in the period in which the related service is performed. There is no further obligation on the Group on this defined contribution plan.

Compensated absences

Accumulated leave, is expected to be utilized within the next 12 months, and are treated as short-term employee benefit. The Company treats the entire leave as current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. It is measured on the basis of an actuarial valuation done by an independent actuary on the projected unit credit method at the end of each financial year.

o. Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised in employee benefit expenses, together with a corresponding increase in retained earnings in equity, over the period in which the service conditions and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions. No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When an award is modified, at minimum the cost of the original award is recognised as if it had not been modified (i.e. at the original grant date fair value, spread over the original vesting period, and subject to the original vesting conditions). This applies unless the award does not vest because of failure to satisfy a vesting condition (other than a market condition) that was specified at grant date.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where a modification is made after the original vesting period has expired, and is subject to no further vesting conditions, any incremental fair value is recognised immediately.

If the modification decreases the fair value of the equity instruments granted (e.g. by increasing the exercise price or reducing the exercise period), the decrease in value is effectively ignored and the entity continues to recognise a cost for services as if the awards had not been modified. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Cash-settled transactions

A liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefit expenses (see Note 32). The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The fair value is determined using a binomial model, further details of which are given in Note 40. The approach used to account for vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.

p. **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

q. **Contingencies**

A contingent liability is:

A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are recognised when virtually certain on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations arising from past events and which the fair values can be reliably determined.

<u>Contingent liabilities recognised in a business combination</u>

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

r. **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders of the parent by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit/(loss) attributable to ordinary equity holders of the parent using the weighted-average number of equity shares considered for deriving basic earnings per share and weighted average number of dilutive equivalent shares outstanding during the period, except where the results would be anti-dilutive. Dilutive potential shares are deemed converted at the beginning of the period, unless issued at later date.

Ordinary shares that will be issued upon the conversion of mandatorily convertible instruments are included in the calculation of basic earnings per share from the date the contract is entered into.

s. **Fair value measurement**

The fair value of the financial instruments is included at the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Management of the Group have assessed that the fair values of cash and cash equivalents, restricted cash, trade receivables (not subject to provisional pricing), trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

There have been no transfers between fair value levels during the reporting period.

t. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker being Chief Financial Officer. The Managing Director assesses the financial performance and position of the Group as a whole, and makes strategic decisions.

u. Cash Flow

Ind AS 7 requires to exclude non-cash transaction relating to investing and financing activities from the statement of cash flow. However, such transactions should be disclosed elsewhere in the financial statements.

Cash and cash equivalents consist of cash on hand and balances with banks which are unrestricted for withdrawal and usage.

v. Exceptional Items

Exceptional items are those items that management considers, by virtue of their size or incidence (including but not limited to impairment charges and acquisition and restructuring related costs), should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. Such items are material by nature or amount to the year’s result and require separate disclosure in accordance with Ind AS.

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ANNEXURE V - Notes to the Restated Consolidated Ind AS Financial Statements
(All amounts in Rupees millions, unless otherwise stated)

Note 3 : Property, Plant and Equipment & Capital work-in-progress

Particulars	Land Lease	Freehold Land	Factory Building	Office Building	Computer	Electrical Fittings	Factory Equipments	Furniture	Plant & Machinery	Motor Car	Office Equipments	Total	Capital work-in-progress
Cost or deemed cost (gross carrying amount):													
Balance as at 1 April 2018	**6.74**	**14.00**	**319.29**	**49.49**	**15.82**	**19.51**	**57.91**	**42.04**	**218.47**	**14.94**	**8.89**	**767.10**	**47.80**
Transfer to Right of use Assets on Transition to IndAS 116	(6.74)	-	-	-	-	-	-	-	-	-	-	(6.74)	-
Additions	-	-	51.19	-	1.45	2.65	7.65	5.45	16.46	2.74	1.12	88.71	46.81
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	(84.87)
Balance as at 31 March 2019	-	**14.00**	**370.48**	**49.49**	**17.27**	**22.16**	**65.56**	**47.49**	**234.93**	**17.68**	**10.01**	**849.07**	**9.74**
Additions	-	-	3.69	-	1.07	0.16	5.60	4.97	4.21	2.16	1.18	23.04	9.29
Disposals	-	-	-	-	(1.90)	-	(0.20)	(0.74)	(5.35)	-	-	(8.19)	(9.83)
Balance as at 31 March 2020	-	**14.00**	**374.17**	**49.49**	**16.44**	**22.32**	**70.96**	**51.72**	**233.79**	**19.84**	**11.19**	**863.92**	**9.20**
Additions	-	-	35.62	-	2.54	1.90	21.68	4.61	10.19	1.06	0.93	78.53	12.50
Disposals	-	-	-	-	(0.98)	-	(0.81)	(0.14)	(15.12)	(0.39)	(0.08)	(17.52)	(10.17)
Balance as at 31 March 2021	-	**14.00**	**409.79**	**49.49**	**18.00**	**24.22**	**91.83**	**56.19**	**228.86**	**20.51**	**12.04**	**924.93**	**11.53**
Additions	-	-	0.12	-	1.66	0.09	12.83	1.49	7.99	-	1.75	25.93	73.36
Disposals	-	-	-	-	-	-	(1.20)	(0.54)	(5.23)	(0.64)	-	(7.61)	(10.30)
Balance as at 30 September 2021	-	**14.00**	**409.91**	**49.49**	**19.66**	**24.31**	**103.46**	**57.14**	**231.62**	**19.87**	**13.79**	**943.25**	**74.59**
Accumulated Depreciation													
Balance as at 1 April 2018	**0.40**	**-**	**83.25**	**1.24**	**13.12**	**9.76**	**23.85**	**22.59**	**93.41**	**9.65**	**4.91**	**262.19**	-
Transfer to Right of use Assets on Transition to IndAS 116	(0.40)	-	-	-	-	-	-	-	-	-	-	(0.40)	-
Depreciation for the year	-	-	18.99	2.35	2.00	2.86	7.47	5.91	24.94	2.15	1.84	68.51	-
Deletions / Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	**-**	**-**	**102.24**	**3.59**	**15.12**	**12.62**	**31.33**	**28.50**	**118.35**	**11.80**	**6.76**	**330.31**	-
Depreciation for the year	-	-	19.98	2.24	1.37	2.49	7.29	5.67	21.31	1.98	1.55	63.88	-
Deletions / Adjustments	-	-	-	-	(1.85)	-	(0.10)	(0.37)	(3.71)	(0.04)	-	(6.07)	-
Balance as at 31 March 2020	**-**	**-**	**122.22**	**5.83**	**14.64**	**15.11**	**38.52**	**33.80**	**135.95**	**13.74**	**8.30**	**388.12**	-
Depreciation for the year	-	-	18.72	2.13	1.95	1.97	8.38	4.32	17.76	1.95	1.26	58.44	-
Deletions / Adjustments	-	-	-	-	(0.93)	-	(0.53)	(0.08)	(7.69)	(0.37)	(0.08)	(9.68)	-
Balance as at 31 March 2021	**-**	**-**	**140.94**	**7.96**	**15.66**	**17.08**	**46.37**	**38.04**	**146.02**	**15.32**	**9.49**	**436.87**	-
Depreciation for the Period	-	-	9.04	1.01	1.00	0.81	6.96	2.32	7.62	0.72	0.62	30.10	-
Deletions / Adjustments	-	-	-	-	-	-	(0.40)	(0.22)	(3.63)	(0.59)	-	(4.84)	-
Balance as at 30 September 2021	**-**	**-**	**149.98**	**8.97**	**16.66**	**17.89**	**52.93**	**40.14**	**150.01**	**15.45**	**10.10**	**462.14**	-
Carrying amounts (net)													
At 31 March 2019	**-**	**14.00**	**268.24**	**45.90**	**2.15**	**9.54**	**34.23**	**18.99**	**116.58**	**5.88**	**3.25**	**518.76**	**9.74**
At 31 March 2020	**-**	**14.00**	**251.95**	**43.66**	**1.80**	**7.21**	**32.44**	**17.92**	**97.84**	**6.10**	**2.88**	**475.80**	**9.20**
At 31 March 2021	**-**	**14.00**	**268.85**	**41.53**	**2.34**	**7.14**	**45.46**	**18.15**	**82.84**	**5.19**	**2.55**	**488.06**	**11.53**
At 30 September 2021	**-**	**14.00**	**259.93**	**40.52**	**3.00**	**6.42**	**50.54**	**17.00**	**81.61**	**4.42**	**3.68**	**481.12**	**74.59**

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CWIP Ageing Schedule

At 30 September 2021

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	64.59	4.28	5.72	-	**74.59**
Projects temporarily suspended	-	-	-	-	**-**

At 31 March 2021

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5.52	1.63	4.38	-	**11.53**
Projects temporarily suspended	-	-	-	-	**-**

At 31 March 2020

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4.82	4.38	-	-	**9.20**
Projects temporarily suspended	-	-	-	-	**-**

At 31 March 2019

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	9.46	0.04	0.24	-	**9.74**
Projects temporarily suspended	-	-	-	-	**-**

ANNEXURE V - Notes to the Restated Consolidated Ind AS Financial Statements
(All amounts in Rupees millions, unless otherwise stated)

Note 4 : Right to Use Assets

Particulars	Leasehold Land
Cost or deemed cost (gross carrying amount):	
Balance as at 1 April 2018	
On transition to Ind AS 116 Leases	**15.70**
Transfer from Property, Plant and Equipment on Transition to Ind AS 116	6.74
Additions	-
Disposals	-
Balance as at 31 March 2019	**22.44**
Impact on adoption of Ind AS 116	-
Additions	-
Disposals	-
Balance as at 31 March 2020	**22.44**
Additions	-
Disposals	-
Balance as at 31 March 2021	**22.44**
Additions	-
Disposals	-
Balance as at 30 September 2021	**22.44**
Accumulated amortisation expenses	
Balance as at 1 April 2018	
On transition to Ind AS 116 Leases	**1.42**
Transfer from Property, Plant and Equipment on Transition to IndAS 116	0.40
Amortisation expenses	1.24
Disposals/Adjustments	-
Balance as at 31 March 2019	**3.06**
Amortisation expenses	1.24
Disposals/Adjustments	-
Balance as at 31 March 2020	**4.30**
Amortisation expenses	1.24
Disposals/Adjustments	-
Balance as at 31 March 2021	**5.54**
Amortisation expenses	0.62
Disposals/Adjustments	-
Balance as at 30 September 2021	**6.16**
Carrying amounts (net)	
At 31 March 2019	**19.38**
At 31 March 2020	**18.14**
At 31 March 2021	**16.90**
At 30 September 2021	**16.28**

ANNEXURE V - Notes to the Restated Consolidated Ind AS Financial Statements
(All amounts in Rupees millions, unless otherwise stated)

Note 5 : Other Intangible Assets

Particulars	Softwares	Product Development Costs	Total
Cost or deemed cost (gross carrying amount):			
Balance as at 1 April 2018	**4.86**	**26.47**	**31.33**
Additions	5.05	-	5.05
Disposals	-	-	-
Balance as at 31 March 2019	**9.91**	**26.47**	**36.38**
Additions	1.89	-	1.89
Disposals	(1.71)	-	(1.71)
Balance as at 31 March 2020	**10.09**	**26.47**	**36.56**
Additions	0.02		0.02
Disposals	(0.57)		(0.57)
Balance as at 31 March 2021	**9.54**	**26.47**	**36.01**
Additions	-	-	-
Disposals	-	-	-
Balance as at 30 September 2021	**9.54**	**26.47**	**36.01**
Accumulated amortisation expenses			
Balance as at 1 April 2018	**1.66**	**22.17**	**23.83**
Amortisation expenses	2.21	3.05	5.26
Disposals/Adjustments	-	-	-
Balance as at 31 March 2019	**3.87**	**25.22**	**29.09**
Amortisation expenses	3.33	1.25	4.58
Disposals/Adjustments	(1.16)	-	(1.16)
Balance as at 31 March 2020	**6.04**	**26.47**	**32.51**
Amortisation expenses	1.73	-	1.73
Disposals/Adjustments	(0.47)	-	(0.47)
Balance as at 31 March 2021	**7.30**	**26.47**	**33.77**
Amortisation expenses	0.46	-	0.46
Disposals/Adjustments	-	-	-
Balance as at 30 September 2021	**7.76**	**26.47**	**34.23**
Carrying amounts (net)			
At 31 March 2019	**6.04**	**1.25**	**7.29**
At 31 March 2020	**4.05**	-	**4.05**
At 31 March 2021	**2.24**	-	**2.24**
At 30 September 2021	**1.78**	-	**1.78**

ANNEXURE V - Notes to the Restated Consolidated Ind AS Financial Statements
(All amounts in Rupees millions, unless otherwise stated)

	Particulars	As at 30 September 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
6	**OTHER FINANCIAL ASSETS**				
	Unsecured, Considered good				
	Security Deposits	4.00	3.82	4.09	5.17
	Fixed Deposits having maturity of more than 12 months	0.57	0.57	0.43	0.26
	TOTAL	**4.57**	**4.39**	**4.52**	**5.43**
7	**DEFERRED TAX ASSETS (NET)**				
	(a) Deferred Tax Assets				
	Disallowance under Section 43B of the Income Tax Act, 1961	14.22	16.95	18.55	21.91
	Provision for Expected credit loss	2.58	3.33	6.69	9.70
	On adoption of Ind AS 116 Leases	0.95	0.88	0.75	0.62
	MAT Credit Entitlement	8.64	10.48	18.14	31.32
	(b) Deferred Tax Liability				
	Financial assets carried at amortised cost	(0.06)	(0.06)	(0.06)	(0.06)
	Gain on Investments carried at fair value	(0.64)	(0.69)	(0.20)	(0.05)
	On adoption of Ind AS 116 Leases	(0.27)	(0.26)	(0.26)	(0.21)
	Financial liabilities carried at amortised cost	(0.20)	(0.24)	(0.34)	(0.43)
	Related to Property, Plant and Equipment	(3.90)	(4.58)	(4.88)	(5.65)
	TOTAL	**21.32**	**25.81**	**38.39**	**57.15**
8	**OTHER NON CURRENTS ASSETS**				
	Unsecured, Considered good				
	Capital Advances	10.89	7.34	1.69	0.29
	Prepaid expenses	0.50	0.68	1.04	1.38
	TOTAL	**11.39**	**8.02**	**2.73**	**1.67**
9	**INVENTORIES**				
	Raw Materials & Packing Materials	482.81	410.64	392.51	282.38
	Work-in-process	32.59	27.09	56.02	18.33
	Finished goods	136.25	151.97	94.37	108.32
	Trading Purchase Capital Goods	1.64	7.25	-	-
	TOTAL	**653.29**	**596.95**	**542.90**	**409.03**
10	**Investments**				
	Investments valued at fair value through profit and loss (FVTPL)				
	Investment in mutual funds	104.50	180.51	115.48	68.72
	TOTAL	**104.50**	**180.51**	**115.48**	**68.72**

HEXAGON NUTRITION LIMITED (Formerly known as HEXAGON NUTRITION PRIVATE LIMITED)
CIN : U24110MH1993PLC072189

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Note 10.1 Detailed list of Current investments

Particulars	As at 30 September 2021			As at 31 March 2021			As at 31 March 2020			As at 31 March 2019		
	No of units	Cost	Fair Value	No of units	Cost	Fair Value	No of units	Cost	Fair Value	No of units	Cost	Fair Value
I. Investments valued at fair value, fully paid up, quoted												
a) Investments in mutual fund												
EQUITY MUTUAL FUNDS												
ICICI Prudential Equity Arbitrage Fund	3,14,657.14	8.15	8.61	5,43,721.52	14.15	14.57	-	-	-	-	-	-
Kotak Equity Arbitrage Fund-Growth	9,94,064.39	28.21	29.48	14,51,241.71	41.21	42.16	-	-	-	-	-	-
TATA Arbitrage Fund Regular Plan Growth	10,40,289.70	11.50	11.97	10,40,289.70	11.50	11.73	-	-	-	-	-	-
DEBT MUTUAL FUNDS												
ICICI Prudential Liquid - Growth Plan	-	-	-	43,183.50	12.82	13.09	27,902.91	8.10	8.13	-	-	-
Kotak Liquid Fund - Growth Plan	-	-	-	2261.59	9.13	9.36	3,544.85	14.12	14.18	-	-	-
Kotak Medium Term Regular Growth	84,886.84	1.50	1.53	-	-	-	-	-	-	-	-	-
SBI Liquid Fund - Growth Plan	-	-	-	-	-	-	3,544.85	8.11	8.15	-	-	-
HDFC Ultra Short Term Fund	22,09,891.90	37.52	37.66	54,54,236.14	64.19	64.61	75,77,850.55	84.37	84.91	-	-	-
HDFC Money market fund - Growth Plan	16,021.87	0.19	0.19	15,624.76	0.18	0.19	9,293.18	0.10	0.10	7,133.51	68.54	68.72
SBI Magnum Low Duration Fund Growth	3,101.05	8.21	8.69	6,823.00	18.21	18.77	-	-	-	-	-	-
Axis Liquid Fund - Direct Growth	-	-	-	2,197.14	5.00	5.02	-	-	-	-	-	-
Axis Treasury Advantage Fund Regular Plan	419.58	1.00	1.03	419.58	1.00	1.01	-	-	-	-	-	-
HDFC Asset Allocator FOF Regular Growth	4,76,620.59	5.00	5.35	-	-	-	-	-	-		-	-
Total Current Investments		**101.28**	**104.50**		**177.40**	**180.51**		**114.80**	**115.48**		**68.54**	**68.72**

Particulars	As at 30 September 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Details:				
Aggregate amount of quoted investments and market value thereof	104.50	180.51	115.48	68.72
Aggregate amount of unquoted investments	-	-	-	-
Aggregate amount of impairment in value of investments	-	-	-	-

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(All amounts in Rupees millions, unless otherwise stated)

	Particulars	As at 30 September 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
11	**TRADE RECEIVABLES**				
	a) Considered Good - Secured	-	-	-	-
	b) Considered Good - Unsecured	567.67	408.33	434.34	569.03
	c) Significant increase in Credit Risk	22.17	9.07	2.56	32.23
	d) Credit impaired	2.42	10.08	19.18	29.47
		592.26	**427.48**	**456.08**	**630.73**
	Less : Provision for doubtful debts	2.42	10.08	19.18	29.47
	Less : Provision for expected credit loss	9.80	12.76	22.97	33.31
	TOTAL	**580.04**	**404.64**	**413.93**	**567.95**

Ageing of Trade Receivables

As at 30 September 2021

Particulars	Outstanding for following periods					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	567.67	-	-	-	-	**567.67**
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	15.73	6.44	-	-	**22.17**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	1.09	1.33	**2.42**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	**-**

As at 31 March 2021

Particulars	Outstanding for following periods					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	401.65	6.68	-	-	-	**408.33**
(ii) Undisputed Trade receivables – which have significant increase in credit risk	0.03	7.82	1.02	0.15	0.05	**9.07**
(iii) Undisputed Trade Receivables – credit impaired	-	-	0.67	8.07	1.34	**10.08**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	**-**

As at 31 March 2020

Particulars	Outstanding for following periods					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	434.31	0.03	-	-	-	**434.34**
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	0.41	2.04	0.11	0.00	**2.56**
(iii) Undisputed Trade Receivables – credit impaired	-	0.67	16.49	0.51	1.51	**19.18**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	**-**

As at 31 March 2019

Particulars	Outstanding for following periods					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	550.87	18.07	0.09	-	-	**569.03**
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	28.15	4.08	0.00	0.00	**32.23**
(iii) Undisputed Trade Receivables – credit impaired	-	-	22.18	0.12	7.17	**29.47**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	**-**

ANNEXURE V - Notes to the Restated Consolidated Ind AS Financial Statements
(All amounts in Rupees millions, unless otherwise stated)

	Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
12	**CASH AND CASH EQUIVALENTS**				
	Balances with banks				
	- In Current Account	89.03	26.11	59.41	28.12
	- In Cash Credit Account	0.37	17.84	5.50	-
	- In EEFC	33.15	130.45	94.56	5.16
	Cash in hand				
	- In reporting currency	0.21	0.17	0.28	0.28
	- In foreign currency	0.49	0.48	0.49	0.39
	Demand Draft in Hands	-	-	0.04	-
	TOTAL	**123.25**	**175.05**	**160.28**	**33.95**
13	**BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**				
	Balances with banks				
	- In Deposit Account*	61.07	44.99	80.41	37.03
	- In Unpaid Dividend Account	0.00	0.00	0.00	-
	TOTAL	**61.07**	**44.99**	**80.41**	**37.03**
	*Above deposit accounts are marked against Cash Credit and Bank Guarantees availed by Group except of Rs. 25 mn.				
14	**OTHER FINANCIAL ASSETS**				
	Interest Receivable	1.40	0.76	0.81	0.38
	Export Incentive Receivable & licences	30.91	35.31	39.89	62.89
	Security Deposits	13.66	12.69	13.29	9.11
	TOTAL	**45.97**	**48.76**	**53.99**	**72.38**
15	**CURRENT TAX ASSETS (NET)**				
	Income Tax-Advance Tax & TDS (Net)	42.94	83.02	53.96	60.87
	TOTAL	**42.94**	**83.02**	**53.96**	**60.87**
16	**OTHER CURRENT ASSETS**				
	Advance to suppliers				
	a) Considered Good - Secured	-	-	-	-
	b) Considered Good - Unsecured	21.19	5.25	19.28	4.88
	c) Significant increase in Credit Risk	-	-	-	-
	d) Credit impaired	0.46	0.46	0.46	0.46
		21.65	5.71	19.74	5.34
	Less : Provision for doubtful advances	0.46	0.46	0.46	0.46
		21.19	5.25	19.28	4.88
	Prepaid Expenses	5.16	8.19	5.93	4.41
	Prepaid Insurance	1.36	1.75	4.23	1.67
	Balance with Government Authorities	21.29	19.25	16.01	33.26
	Capital Advances	8.86	7.69	-	0.03
	Imprest/Advance To Staff	2.38	2.24	1.55	1.99
	Others *	1.84	0.38	0.58	0.13
	TOTAL	**62.08**	**44.75**	**47.58**	**46.37**

* Others includes insurance claim receivable and TDS receivable from NBFC etc.

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(All amounts in Rupees millions, unless otherwise stated)

	Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
17	**EQUITY**				
	Authorised				
	12,50,00,000 Equity Shares (31.3.2021 : 12,50,00,000 , 31.3.2020 : 12,50,00,000 , 31.3.2019 : 12,50,00,000) of Rs.1 each	125.00	125.00	125.00	125.00
	1,25,00,000 Preference Shares (31.3.2021 : 125,00,000 , 31.3.2020 : 125,00,000 , 31.3.2019 : 1,25,00,000) of Rs. 10 each	125.00	125.00	125.00	125.00
		250.00	**250.00**	**250.00**	**250.00**
	Issued Subscribed and Paid up				
	11,05,02,404 (31.3.2021 : 11,05,02,404 , 31.3.2020 : 11,05,02,404 , 31.3.2019 : 11,02,42,404) Equity Shares of Re.1 each fully paid up*	110.50	110.50	110.50	110.24
		110.50	**110.50**	**110.50**	**110.24**

* The Company had issued Employee stock options (ESOP) under ESOP scheme 2018 to eligible employees vide board resolution dated 22nd December, 2017 and the allotment of 3,57,500 equity shares on 26th March, 2019 and the allotment of 2,60,000 equity shares on 19th March, 2020. This shares are issed to the employees of Holding and its wholly owned subsidiary companies.

17.1 **Terms/rights attached to Equity Shares**

The holders of equity shares of Re. 1 each are entitled to one vote per share. The equity shareholders are entitled to dividend only if dividend in a particular financial year is recommended by the Board of Directors and approved by the member at the annual general meeting of the year. In the event of liquidation of the Group, the holders of equity shares will be entitled to receive out of the remaining assets of the Group, after distribution of Preferential amounts. The distribution will be in proportion to the number of equity shares held by share holders.

17.2 **Reconciliation of number of Equity Shares outstanding at beginning and at the end of year/Period:**

Particulars	As at September 30, 2021		As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	In Nos.	(Rs. In mn)	In Nos.	(Rs. In mn)	In Nos.	(Rs. In mn)	In Nos.	(Rs. In mn)
Shares outstanding at the beginning of the year	11,05,02,404	110.50	11,05,02,404	110.50	11,02,42,404	110.24	10,98,84,904	109.89
Add:- Shares Issued during the year *	-	-	-	-	2,60,000	0.26	3,57,500	0.35
Less:- Shares bought back and extinguished during the year	-	-	-	-	-	-	-	-
Shares outstanding at the end of the year	**11,05,02,404**	**110.50**	**11,05,02,404**	**110.50**	**11,05,02,404**	**110.50**	**11,02,42,404**	**110.24**

* The Group has issued 3,57,500 equity shares at face value of Re. 1 each, issued at a premium of Rs. 10.38 per share under Employee stock option plan in FY 2018-19.

* The Group had issued 2,60,000 equity shares at face value of Re. 1 each, issued at a premium of Rs. 16.80 per share under Employee stock option plan in FY 2019-

17.3 **The details of shareholder holding more than 5% shares :**

Name of Equity Shareholders	As at September 30, 2021		As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	No of Shares	Percentage	No of Shares	Percentage	No of Shares	Percentage	No of Shares	Percentage
Mr. Arun P. Kelkar	2,43,46,406	22.03%	2,43,46,406	22.03%	2,43,46,406	22.03%	2,43,46,406	22.08%
Mrs. Anuradha A. Kelkar	90,53,059	8.19%	90,53,059	8.19%	90,53,059	8.19%	90,53,059	8.21%
Dr. Nikhil A. Kelkar	2,12,16,068	19.20%	2,12,16,068	19.20%	2,12,16,068	19.20%	2,12,16,068	19.24%
Mr. Vikram A. Kelkar	2,59,45,044	23.48%	2,59,45,044	23.48%	2,59,45,044	23.48%	2,59,45,044	23.53%
Mr. Subhash P. Kelkar	2,41,88,993	21.89%	2,41,88,993	21.89%	2,41,88,993	21.89%	2,41,88,993	21.94%
Total	**10,47,49,570**	**94.79%**	**10,47,49,570**	**94.79%**	**10,47,49,570**	**94.79%**	**10,47,49,570**	**95.02%**

17.4 **Shareholding of Promoters**

Shares held by promoters at the end of the year/period	As at September 30, 2021		As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
Promoter name	**No. of Shares**	**% of total Shares**	**No. of Shares**	**% of total Shares**	**No. of Shares**	**% of total Shares**	**No. of Shares**	**% of total Shares**
Mr. Arun Kelkar	2,43,46,406	22.03%	2,43,46,406	22.03%	2,43,46,406	22.03%	2,43,46,406	22.08%
Mr. Subhash Kelkar	2,41,88,993	21.89%	2,41,88,993	21.89%	2,41,88,993	21.89%	2,41,88,993	21.89%
Dr. Nikhil A. Kelkar	2,12,16,068	19.20%	2,12,16,068	19.20%	2,12,16,068	19.20%	2,12,16,068	19.24%
Mr. Vikram A. Kelkar	2,59,45,044	23.48%	2,59,45,044	23.48%	2,59,45,044	23.48%	2,59,45,044	23.53%

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	Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
18	**OTHER EQUITY**				
	Securities Premium				
	At the beginning of the year	168.13	168.13	163.76	160.05
	Add: Due to Issue of Equity Shares	-	-	4.37	3.71
	At the end of the year/period	**168.13**	**168.13**	**168.13**	**163.76**
	General Reserve	**54.69**	**54.69**	**54.69**	**54.69**
	Foreign currency Translation Reserve	**3.25**	**2.27**	**3.11**	-
	Retained Earnings				
	As per last Balance Sheet	**922.90**	**712.71**	**541.79**	**396.31**
	Less : Deduction	-	-	-	-
	Add : Net Profit for the year/period	152.09	228.61	185.67	148.25
	Add : Impact on transition to Ind AS 116	-	-	-	(2.76)
		1,074.99	**941.32**	**727.47**	**541.80**
	Less : Appropriations				
	Dividend Paid				
	- On Cumulative compulsorily convertible preference shares	-	0.01	0.00	0.00
	- On equity shares	-	18.41	14.76	-
	(Dividend per share Rs. Nil (31.3.2021 : Rs. 0.15, 31.3.2020 : Rs. 0.15)				
	Proposed Dividend;				
	- On Cumulative compulsorily convertible preference shares	-	0.00	-	-
		1,074.99	**922.90**	**712.71**	**541.79**
	0.0001% 1,22,08,212 (31.3.2021 : 1,22,08,212, 31.3.2020 : 1,22,08,212, 31.3.2019 : 1,22,08,212) Cumulative Compulsorily Convertible Preference Shares of Rs. 10 each fully paid up	122.08	122.08	122.08	122.08
	Other Comprehensive Income (OCI)				
	Opening Balance	(0.31)	(3.86)	(0.10)	-
	Remeasurement of post employment benefit obligation	(2.73)	3.55	(3.76)	(0.10)
	Closing balance	**(3.04)**	**(0.31)**	**(3.86)**	**(0.10)**
	TOTAL	**1,420.10**	**1,269.76**	**1,056.86**	**882.23**

18.1 **Purpose of Reserves;**

Securities premium is received pursuant to the further issue of equity shares at a premium net of the share issue expenses. This is a non-distributable reserve except for the following instances where the share premium account may be applied;
i) towards the issue of unissued shares of the Company to the members of the Company as fully paid bonus shares;
ii) for the purchase of its own shares or other securities;
iii) in writing off the preliminary expenses of the Company;
iv) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; and
v) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss.
Foreign Currency Translation Reserve represents exchange differences arising on account of conversion of foreign operations to Company's functional currency.

Retained earnings represents the accumulated profits of the Company.

18.2 **Terms/ rights/ redemption attached to Cumulative Compulsorily Convertible Preference Shares (CCPS)**

Preference Shares issued to the Investors shall be compulsorily converted into Equity Shares and shall not be redeemable in any other manner except in accordance with the Act. Subject to applicable law, the Preference Shares shall carry such voting rights as are exercisable by persons holding Equity Shares in the Group and shall be treated pari passu with the Equity Shares on all voting matters. Further, subject to applicable law, the holders of Investor Preference Shares and Equity Shares shall vote together and not as a separate class.
The Investors shall be entitled to receive non-cumulative dividends on the Preference Shares in preference to any dividend on the Equity Shares of the Group at the rate of 0.0001 % of the original purchase price per annum for the Preference Shares, if, when and as declared by the Board. For any other dividends or distributions, the holders of preference shares also shall be entitled to participate pro rata in any dividends paid on the Equity Shares on as and when converted basis adjusted for any par value changes, on a cumulative basis.

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18.3 **Conversion of CCPS into Equity Shares**

(a) The Preference Shares shall compulsorily convert into Equity Shares of the Group upon the occurrence of any of the following events:

(i) expiry of the latest time permitted under applicable law, when considering the listing of the Equity Shares of the Group pursuant to a QIPO or Offer For Sale; or

(ii) expiry of 19 (nineteen) years and 11 (eleven) months from the Completion Date ("Conversion Period"); or

(iii) any time prior to the expiry of the Conversion Period at the option and discretion of the holders of preference shares.

(b) In the event the Preference Shareholders exercises their rights to convert any of the Preference Shares in accordance with the Transaction Documents, then the preference shareholders can notify the Group of the date on which Conversion needs to take place ("Conversion Notice").

(c) In the event of occurrence of events under paragraph 18.3 (a)(i) above, the Group shall at the relevant time proceed for Conversion with prior written confirmation of the Preference Shareholders.

(d) In the event of occurrence of events under paragraph 18.3 (a)(ii) above, the Group shall at the relevant time automatically proceed for conversion.

(e) The Preference Shares shall be converted in accordance with the ratio determined in accordance with paragraph 18.4 below.

(f) The Group will within 15 (fifteen) days of receiving the conversion notice from the preference shareholders , or expiry of 15 (fifteen) days from the conversion period, or the relevant time of the QIPO or Offer For Sale as the case may be ("Conversion Date"), convert the Preference Shares in accordance with the conversion ratio specified in paragraph 18.4 below.

(g) The Preference Shareholders shall have the right to convert each Preference Shares, at any time, into 1 (one) Equity Share each, without any additional payment for such conversion, subject to adjustment to facilitate the payout upon a liquidation Event.

(h) The Equity Shares so issued and allotted to the Preference Shareholders shall carry, from the date of Conversion, all rights paripassu with the Equity Shares of the Group existing as of date and each Equity Share shall carry one vote.

18.4 **CONVERSION RATIO**

Subject to the provisions of Clause 5 of the SHA (Anti-dilution) and any other applicable provisions of the SHA, the Preference Shareholders shall be entitled to convert the Preference Shares (at an initial conversion ratio of 1:1) without any additional payment for such conversion, such that these investors holding preference shares shall hold at least 10% of the total issued, subscribed and paid up share capital of the Group on an "As Converted Basis", as computed on the Completion Date.

18.5 **Reconciliation of number of cumulative convertible preference shares outstanding at beginning and at the end of year/period:**

Particulars	As at September 30, 2021		As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	In Numbers	**(Rs. In mn)**	**In Numbers**	**(Rs. In mn)**	**In Numbers**	**(Rs. In mn)**	**In Numbers**	**(Rs. In mn)**
Shares outstanding at the beginning of the year	1,22,08,212	122.08	1,22,08,212	122.08	1,22,08,212	122.08	1,22,08,212	122.08
Add:- Shares Issued during the year	-	-	-	-	-	-	-	-
Less:- Shares bought back and extinguished during the year	-	-	-	-	-	-	-	-
Shares outstanding at the end of the year	**1,22,08,212**	**122.08**	**1,22,08,212**	**122.08**	**1,22,08,212**	**122.08**	**1,22,08,212**	**122.08**

In reference to note above, conversion ratio, as per clause 5 of the share holder agreement (Anti dilution), the Group had issued shares to employees under ESOP scheme-2018. This had resulted in Anti dilution and the cumulative convertible preference share holders are now eligible for additional shares @ 1.00561956 per share. The said will be convertible to equity shares at the time of conversion.

18.6 **The details of shareholder holding more than 5% cumulative compulsorily convertible preference shares/Period :**

Name of Preference Shareholders	As at September 30, 2021		As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	No of Shares	**Percentage**	**No of Shares**	**Percentage**	**No of Shares**	**Percentage**	**No of Shares**	**Percentage**
Somerset Indus Healthcare Fund I Ltd.	1,21,35,056	99.40%	1,21,35,056	99.40%	1,21,35,056	99.40%	1,21,35,056	99.40%
Total	**1,21,35,056**	**99.40%**	**1,21,35,056**	**99.40%**	**1,21,35,056**	**99.40%**	**1,21,35,056**	**99.40%**

(All amounts in Rupees millions, unless otherwise stated)

	Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
19	**LONG TERM BORROWINGS**				
	Secured Loans				
	From banks				
	Term Loans	53.37	70.63	118.34	152.80
	Vehicle Loans	0.40	0.60	1.10	1.86
	TOTAL	**53.77**	**71.23**	**119.44**	**154.66**

19.1 The Term Loan has been taken from HDFC Bank of Rs. 87.50 mn at floating interest rate of 8.70% p a.(31.3.21 : 8.70% p.a.; 31.3.2020 : 8.70% p.a. ; 31.3.2019 : 9.15% p.a.) as on 30th September 2021. Term Loan of Rs. 36.64mn (31.3.21 : Rs. 43.40 mn, 31.3.2020 : Rs. 65.32mn, 31.3.2019 : Rs 75.58mn) including current maturities of Long-Term borrowings, is secured against Office No. 301 to 304, "Global Chambers" Off Link Road, Adarsh Nagar, next to Dheeraj Heights, Andheri (W), Mumbai - 400053.
Repayable in 76 EMIs of Rs. 1.39mn starting from December 2017 and ending in March 2024 as per the latest repayment schedule.

The above Term Loan from HDFC Bank Ltd of Rs. 67.50 mn at floating interest rate of 8.45% p.a., Term Loan of Rs. 27.60 mn (31.3.2021 : Rs.32.73mn, 31.3.2020: Rs. 51.73mn, 31.3.2019 : Rs. 59.52mn) including Current Maturities of Long-Term borrowings, is secured through mortgage of the property "401 to 403 Global Chambers, Adarsh Nagar (off Link Road), Andheri West, Mumbai 400053",repayable in 73 instalments of Rs.1.07 mn per month from Mar' 2018 to Feb' 2024.

The Above Term Loan (including Current Maturity of Long Term Debt - Refer Note 22) of Rs 40.00 mn was sanctioned by Indian Bank MEPZ Branch, (MTL III - Rs.40.00mn (P&M, OFA)). The Term Loan is secured as Exclusive Charge as follows:
For MTL I : By way of Equitable Mortgage on Land and Building to be constructed there upon, Situated in Plot No 76-77-78 covering Part area of 11.59.6 acres bearing document Nos. 5120/11,5121/11, Survey Nos. 58/1,58/2,11/3,59/1 and 59/2 under Patta No. 1158 of Adakkukaracheri Village, Toothukudi District, Pin 628104 Tamil Nadu Within the Sub-Registration Office of Murappanadu and Registration District of Palayamkottai (Valued at Rs.72.30mn (FMV) and Rs. 67.90mn (RSV) by valuer). (Preclosure done on 24.08.2020))
For MTL II : Exclusive Charge by way of Hypothecation on Plant and Machinery ; Furniture and Other Movable assets of Tuticorin Project to be Purchased (P & M valued at Rs. 28.10mn (FMV) and Rs.23.80mn (RSV) by valuer). (PRECLOSURE DONE ON 24.08.2020))
For MTL III : Hypothecation of Plant and machinery; Furniture & fixtures and other movable valued at Rs.50.30mn as on 31.03.2020 & Fixed Deposits of Rs.10.00mn.
Repayment Terms : Principal repayable in 78 equal monthly installments after a holiday period of 6 months from the date of 1st disbursement,i.e, 31.03.2018 (Door to Door 84 months). Interest to be Services then and there. b) Covid Loan: Door to Door 48 months 12 months holiday period. Principal to be paid in 36 EMI from 13th month onwards, starting from October 2021.

19.2 Vehicle loan of Rs. 0.79 mn (31.3.2021 : Rs. 1.10mn ; 31.3.2020 : Rs. 1.86mn ; 31.3.2019 : Rs. 2.55mn), including Vehicle Loan under Current Maturities of Long Term Borrowings under Note No 22 is secured against the specific vehicle;
-Vehicle loan of Rs. 0.90mn is repayable in 60 EMIs of Rs. 0.02mn starting from Sep'16 and ending in Aug'21 with an interest rate of 9.59% p a for Hyundai Creta.
-Vehicle loan of Rs. 0.72mn for Honda Amaze is repayble in 60 EMIs of Rs. 0.02mn starting from July 18 and ending in June 23 with interest rate of 9.21% p a.
-Vehicle loan of Rs. 1.07mn is repayable in 60 EMIs of Rs. 0.02mn starting from Nov. 2018 and ending in Oct. 2023 with an interest rate 9.40% p a for Mahindra TUV 300 T6 Plus.
-Vehicle loan of Rs. 0.60mn for HYUNDAI GRAND I 10 SPORTZ(S) is repayable in 36 EMIs of Rs. 0.02mn starting from June 18 and ending in May 21 with interest rate of 9.35%.

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(All amounts in Rupees millions, unless otherwise stated)

	Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
20	**OTHER FINANCIAL LIABILITIES**				
	Lease Liability	13.82	14.12	14.83	15.43
	Dealership Deposit from Customers	2.41	2.41	2.41	0.36
	TOTAL	**16.23**	**16.53**	**17.24**	**15.79**
21	**PROVISIONS**				
	Provision for Employee Benefits				
	Gratuity	33.52	26.28	24.50	13.20
	Leave Encashment	7.80	5.59	6.05	4.14
	TOTAL	**41.32**	**31.87**	**30.55**	**17.34**
22	**BORROWINGS**				
	Secured Loans				
	(a) Cash Credits from banks	-	-	6.03	54.84
	(b) Packing Credit Loan	76.87	20.00	102.41	61.54
	(c) FCNR WCDL Loan	80.70	79.30	74.13	-
	Current Maturities of long-term Borrowings				
	- Term Loan	32.60	31.62	33.73	30.76
	- Vehicle Loan	0.39	0.50	0.76	0.69
	TOTAL	**190.56**	**131.42**	**217.06**	**147.83**

22.1 Cash Credit is Sanctioned of Rs. 70.00mn (31.3.21 : Rs. 70.00mn; 31.3.2020 : Rs. 70.00mn; 31.3.2019 : Rs. 70.00mn) from Union Bank of India (Previously Corporation Bank), including buyers credit is secured against exclusive charge on (1) No. 404, Global Chambers, Oshiwara Village, Adarsh Nagar, Link Road, Andheri (W), Mumbai, (2) Exclusive charge for all limits on all existing & future Property, Plant and Equipment including Plant & Machinery, (3) Lien mark over FDR of Rs. 10.00mn. The rate of interest stands at 8.05% p.a. for cash credit. Collateral offered above for Union Bank of India are common for wholly owned subsidiaries Hexagon Nutrition (Exports) Pvt. Ltd. against sanction limit of Rs. 63.00 mn Cash Credit is Sanctioned of Rs.10.00 mn (31.3.2021 : Rs. 10.00mn, 31.3.2020 : Rs. 10.00, 31.3.2019 : Rs. 10.00mn) from Union bank of India, including above stated buyers credit and bank Guarantee, is secured against collateral of holding company exclusive charge on (1) Gut No. 447, at P.O. Unanda Nagar, Lakhmapur Village, Taluka Dindori, Nasik Dist., (2) No. 404, 4th Flr, Global Chambers, Oshiwara Village, Adarsh Nagar, Link Road, Andheri (W), Mumbai, (3) Plot No. 92 A with industrial construction at P. O. Unanda Nagar, Lakhmapur Village, Dindori, Tal. Nashik Dist., (4) Exclusive charge for all limits on all existing & future fixed assets including Plant & Machinery, (5) Exclusive charge over FD of Rs. 7.50 mn. The rate of interest stands at (EBLR+1.25%) p.a. for cash credit. * Property No. 1 & Property No. 3 are released as per sanction latter dated 29.10.2021.

22.2 Packing Credit/Post Shipment/Buyers Credit is sanctioned from CITI Bank NA of Rs. 170.00mn (31.3.21 : Rs. 90,00mn ; 31.3.2020: Rs. 90.00mn; 31.3.2019 : Rs 90.00mn) is secured against exclusive charges over property of subsidiary company Hexagon Nutrition (Exports) Pvt. Ltd., situated at Plot B11, MEPZ SEZ Tambaram Chennai, Tamil Nadu. Packing Credit/Post Shipment/Buyers Credit is sanctioned from CITI Bank NA of Rs.100mn (31.3.2021 : Rs. 130mn, 31.3.2020 : Rs. 130mn, 31.3.2019 : Rs 170mn) is secured against exclusive charges over property situated at Plot B11, MEPZ SEZ Tambaram Chennai, Tamil Nadu.

22.3 Short term working capital arrangement in the form of FCNR sanctioned from CITI Bank NA of Rs. 80.70mn (31.3.21 : Rs. 79.30mn; 31.3.2020 : Rs. 74.13mn; 31.3.2019 : Nil) against the existing sanction limit of Rs. 170mn. The loan has been borrowed in USD 0.45mn on dated 22nd Feb 2021, USD 0.52mn on 26th Feb 2021 and USD 0.01mn on 3rd March 2021 repayable in 360 days from the date of sactioned. The rate of interest stands at 2.75% p.a. all inclusive.

ANNEXURE V - Notes to the Restated Consolidated Ind AS Financial Statements
(All amounts in Rupees millions, unless otherwise stated)

	Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
23	**TRADE PAYABLES**				
	Payable for purchases				
	a) Dues to Micro, Small and Medium Enterprises	51.25	30.42	30.42	17.30
	b) Dues to others	176.84	286.33	258.90	399.93
	Payable for expenses				
	a) Dues to Micro, Small and Medium Enterprises	13.53	8.08	5.75	1.39
	b) Dues to others	44.21	29.87	27.50	32.30
	TOTAL	**285.83**	**354.70**	**322.57**	**450.92**

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 :

The Group is compiling information from its suppliers regarding their status as per the provisions of "Micro, Small and Medium Enterprise Development Act 2006". As per information available with the Group, the Group has made payment to creditors generally within stipulated period as provided in the Act referred above. Hence the Group has not provided for any interest payable to small, micro and medium enterprises. The Group has not received any claim for interest payable and does not expect such claims, if made later, to be for material amount.

Ageing of Trade Payables

As at 30 September 2021

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	63.26	1.33	0.19	-	**64.78**
(ii) Others	220.43	0.45	0.17	-	**221.05**
(iii) Disputed dues – MSME	-	-	-	-	**-**
(iv)Disputed dues - Others	-	-	-	-	**-**

As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	38.05	0.40	0.05	-	**38.50**
(ii) Others	315.93	0.09	0.18	-	**316.20**
(iii) Disputed dues – MSME	-	-	-	-	**-**
(iv)Disputed dues - Others	-	-	-	-	**-**

As at 31 March 2020

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	36.13	0.04	-	-	**36.17**
(ii) Others	268.80	16.37	1.19	0.04	**286.40**
(iii) Disputed dues – MSME	-	-	-	-	**-**
(iv)Disputed dues - Others	-	-	-	-	**-**

As at 31 March 2019

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	18.69	-	-	-	**18.69**
(ii) Others	394.11	14.45	17.77	5.90	**432.23**
(iii) Disputed dues – MSME	-	-	-	-	**-**
(iv)Disputed dues - Others	-	-	-	-	**-**

ANNEXURE V - Notes to the Restated Consolidated Ind AS Financial Statements
(All amounts in Rupees millions, unless otherwise stated)

	Particulars	As at September 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
24	**OTHER FINANCIAL LIABILITIES**				
	Interest accrued but not due	0.53	0.53	0.98	0.98
	Dealership Deposit from Customers	0.71	0.11	0.10	-
	Creditors for Capital Goods	9.31	2.96	1.12	6.09
	Payable to employees	48.14	32.60	35.57	34.20
	Mark to Market derivatives	-	-	0.61	-
	Lease Liability	1.83	1.82	1.65	1.45
	Unpaid Dividend	0.01	0.01	-	-
	Other payables	12.70	13.16	13.65	10.79
	TOTAL	**73.23**	**51.19**	**53.68**	**53.51**
25	**OTHER CURRENT LIABILITIES**				
	Advance from Customers	11.06	7.14	18.52	16.14
	Statutory Dues Payable	18.55	12.16	7.77	8.94
	TOTAL	**29.61**	**19.30**	**26.29**	**25.08**
26	**PROVISIONS**				
	Provision for proposed dividend and distribution tax	-	0.00	0.00	0.00
	Provision for employee benefits				
	-Gratuity	5.93	5.47	7.12	7.34
	-Leave Encashment	1.88	1.77	2.55	3.36
	TOTAL	**7.81**	**7.24**	**9.67**	**10.70**
27	**CURRENT TAX LIABILITIES (NET)**				
	Provision for Income Tax	55.23	71.88	57.50	47.42
	TOTAL	**55.23**	**71.88**	**57.50**	**47.42**

ANNEXURE V - Notes to the Restated Consolidated Ind AS Financial Statements
(All amounts in Rupees millions, unless otherwise stated)

	Particulars	Year Ended September 30, 2021	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
28	**REVENUE FROM OPERATION**				
	Sale of products				
	Domestic	604.93	967.45	861.35	849.20
	Export	643.94	1,132.25	1,177.07	1,457.26
	TOTAL	**1,248.87**	**2,099.70**	**2,038.42**	**2,306.46**
29	**OTHER INCOME**				
	Interest Income	1.17	5.11	2.69	1.76
	Miscellaneous income *	1.22	3.87	3.77	1.60
	Applicable Net Gain/(Loss) on Foreign Exchange	14.16	23.01	26.82	(3.11)
	Export Benefits and Other Incentives	0.30	15.21	28.83	51.51
	Dividend Received on Mutual Fund	-	-	0.42	-
	Profit on sale of Investments	1.40	4.34	6.63	0.30
	Fair Value of Investments Through P&L	2.10	3.11	0.68	0.19
	Industrial Training Fees	-	-	-	0.31
	TOTAL	**20.35**	**54.65**	**69.84**	**52.56**
	* Miscellaneous income comprises of Insurance Claim received, Interest on EB Deposit and Sundry balance written back.				
30	**COST OF MATERIALS CONSUMED**				
	Raw Material and Packing Costs				
	Opening Stock	410.64	392.51	282.38	389.79
	Add: Purchases	667.48	1,120.91	1,179.43	1,164.57
	Less: Closing Stock	482.81	410.64	392.51	282.38
	TOTAL	**595.31**	**1,102.78**	**1,069.30**	**1,271.98**
31	**CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK -IN- PROCESS**				
	At the beginning of the year				
	Finished Goods	151.97	94.37	108.32	117.75
	Stock-in- process	27.09	56.02	18.33	57.74
	Trading Purchase Capital Goods	7.25	-	-	-
		186.31	150.39	126.65	175.49
	At the end of the year				
	Finished Goods	136.25	151.97	94.37	108.32
	Stock-in- process	32.59	27.09	56.02	18.33
	Trading Purchase Capital Goods	1.64	7.25	-	-
		170.48	186.31	150.39	126.65
	TOTAL	**15.83**	**(35.92)**	**(23.74)**	**48.84**
32	**EMPLOYEE BENEFIT EXPENSES**				
	Salaries, Wages and Allowances	149.34	275.11	281.38	272.76
	Contribution towards Provident Fund and ESIC	5.76	10.39	12.21	12.63
	Gratuity and Leave encashment	7.44	12.31	9.24	13.47
	Employee Stock Option Scheme (ESOP)	-	-	2.81	1.57
	Employees Welfare, Training and Other Amenities	5.94	8.45	8.74	11.41
	Employees Food and Beverage Expenses	0.62	1.11	1.75	-
	Covid Treatment Expenses	0.16	0.61	-	-
	TOTAL	**169.26**	**307.98**	**316.13**	**311.84**
33	**FINANCE COST**				
	Interest				
	Term Loan	3.62	10.93	15.94	17.73
	Working Capital	1.73	3.95	5.96	11.29
	Lease obligation	0.71	1.46	1.51	1.53
	Others	0.00	0.77	0.12	0.99
	Other Financial Charges	4.04	8.72	9.38	10.43
	TOTAL	**10.10**	**25.83**	**32.91**	**41.97**

ANNEXURE V - Notes to the Restated Consolidated Ind AS Financial Statements
(All amounts in Rupees millions, unless otherwise stated)

	Particulars	Year Ended September 30, 2021	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
34	**DEPRECIATION**				
	On Property Plant and Equipment	25.37	55.02	62.39	67.23
	On Property Plant and Equipment - R&D	4.77	3.48	1.53	1.35
	Amortisation of Right to use of Assets	0.59	1.18	1.18	1.18
	Amortisation of Intangible Assets	0.46	1.73	4.58	8.70
	TOTAL	**31.19**	**61.41**	**69.68**	**78.46**
35	**OTHER EXPENSES**				
	(A)Manufacturing Expenses				
	Stores & Spares Consumed	9.31	15.74	13.76	12.35
	Power & Fuel	10.94	19.93	20.87	20.59
	Repairs to Building	1.60	2.46	2.79	2.49
	Repairs to Plant & Machinery	2.45	4.87	6.44	4.97
	Repairs & Maintenance - Other	3.71	6.37	3.23	0.89
	Security Charges	4.16	6.70	4.51	4.42
	Labour Charges	25.61	49.89	51.60	44.10
	Testing & Analysis Charges	1.64	1.89	2.49	3.97
	Other Factory Expenses	2.01	3.14	0.49	-
	Total (A)	**61.43**	**110.99**	**106.18**	**93.78**
	(B)Administrative and General Expenses				
	Rent Rates & Taxes (Net)	4.45	4.08	2.98	3.62
	Assessments dues for sales & service tax	1.86	2.00	1.15	0.79
	Insurance	5.01	8.48	7.62	8.71
	Director Sitting Fees	-	-	-	0.20
	Repairs & Maintenance - Others	2.90	2.97	2.78	8.04
	Society Maintenance Charges	0.58	1.17	1.15	-
	Travelling & Conveyance Expenses	8.77	10.15	40.73	52.11
	Legal, Professional & Consultancy Charges	14.55	15.88	17.81	23.09
	Electricity Charges	0.29	0.44	1.17	1.21
	Telephone & Internet Expenses	1.78	3.15	3.47	4.14
	Website, Software & Computer Maintenance	3.18	5.02	6.47	2.47
	Postage & Courier Expenses	0.18	0.32	0.16	0.22
	Printing & Stationery Expenses	0.91	1.65	2.54	2.50
	Corporate Social Responsibility Expenses	1.02	2.15	0.74	0.30
	Expenditure for R&D	4.72	10.08	8.89	9.22
	Vehicle Expenses	4.25	8.05	9.28	8.86
	Bad Debts	7.66	0.90	20.50	22.86
	General Expenses	3.09	5.14	7.56	7.55
	Payment to Auditors (Note No. 35.1)	1.21	2.67	2.38	2.35
	Total (B)	**66.41**	**84.30**	**137.38**	**158.25**
	(C) Selling and Distribution Expenses				
	Freight & Forwarding Charges (Net)	59.54	88.15	62.26	67.38
	Sales Promotion, Advertising Expenses & Membership fees	10.49	14.78	28.47	42.42
	Export ,Testing & Documentation Charges	3.22	2.70	3.62	4.11
	Brokerage & Commission	8.63	15.81	16.46	26.60
	Postage, Telegram & Courier	1.93	3.68	3.89	4.95
	Claims and Discount	0.03	6.49	-	-
	Other selling & distribution expenses	1.09	3.42	3.49	3.65
	Total (C)	**84.93**	**135.03**	**118.19**	**149.11**
	TOTAL (A+B+C)	**212.77**	**330.32**	**361.75**	**401.14**
35.1	**Payment to Auditors**				
	Audit Fees	1.18	2.02	1.78	1.77
	Tax Audit	-	0.51	0.39	0.39
	Certification Charges	0.03	0.14	0.21	0.19
	Total	**1.21**	**2.67**	**2.38**	**2.35**

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	Particulars	Year Ended September 30, 2021	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
35.2	**RESEARCH AND DEVELOPMENT EXPENDITURE**				
	The subsidiary company Hexagon Nutrition (Exports) Pvt. Ltd. was eligible for Research and Development Tax exemption vide approval letter dt. 14th September 2017, certificate number F.No.Tu/IV-RD/4227/2017, but the company has availed concession tax rate under section 115BAA in the year FY 2020-21 and hence Research and Development expenses not claimed.				
	Capital Expenditure:				
	a) R & D Building, Furniture & Fittings	-	-	0.41	0.06
	b) R & D Equipments	-	-	2.45	-
	Revenue Expenditure	-	-	8.89	9.13
	TOTAL	**-**	**-**	**11.75**	**9.19**
36	**EARNINGS PER SHARE (BASIC & DILUTED)**				
	Net profit after tax (Rs. In Millions)	152.09	228.61	185.67	148.25
	Proposed Dividend on Pref. Shares & tax thereon (Rs. In Millions)	-	0.01	0.00	-
	Net profit after tax attributable to Equity Share holders for Basic EPS (Rs. In Millions)	152.09	228.60	185.67	148.25
	Weighted average no. of equity shares outstanding for Basic EPS (In Nos)	11,05,02,404	11,05,02,404	11,05,02,404	11,02,42,404
	Basic Earning Per Share of Re. 1 Each (In Rs.)	**1.38**	**2.07**	**1.68**	**1.34**
	Net profit after tax attributable to Equity Share holders for Basic EPS (Rs. In Millions)	152.09	228.61	185.67	148.25
	Weighted average no. of equity shares outstanding for Diluted EPS (In Nos)	12,27,79,222	12,27,79,222	12,27,79,222	12,30,09,647
	Diluted Earning Per Share of Re. 1 Each (In Rs.)	**1.24**	**1.86**	**1.51**	**1.21**
	Reconciliation between number of shares used for calculating basic and diluted earning per share				
	Number of Shares Used for calculating Basic EPS	11,05,02,404	11,05,02,404	11,05,02,404	11,02,42,404
	Add:- Potential Equity Shares	1,22,76,818	1,22,76,818	1,22,76,818	1,27,67,243
	Number of Shares used for Calculating Diluted EPS	**12,27,79,222**	**12,27,79,222**	**12,27,79,222**	**12,30,09,647**

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Note 37 : Contingent liabilities disclosures as required under Indian Accounting Standard 37, "Provisions, Contingent Liabilities and Contingent Assets" are given below:

Particulars	30-Sep-21	31-Mar-21	31-Mar-20	31-Mar-19
I) Contingent liabilities	-	15.36	73.20	-
II) Capital Commitments (to the extent not provided for)	18.63	27.77	9.60	1.62
III) Corporate Guarantee	439.4	352.2	352.00	384.50
IV) Bank Guarantee	73.95	17.85	70.61	-
V) Statutory Dues	-	2.25	2.59	-

Note 38 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

A. Defined benefit obligations and short-term compensated absences

Particulars	Year Ended September 30, 2021	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
Contribution to Defined Contribution Plan, recognised and charged off for the year are as under :				
Employer's Contribution to Provident Fund	1.55	3.12	4.17	4.35
Employer's Contribution to Pension Scheme	2.99	5.81	6.19	6.00
Employer's Contribution to Other Funds	0.85	1.42	1.85	0.95

B. Defined Benefit Plan

The present value of Employees' Gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	Gratuity (Unfunded)				Leave Encashment (Unfunded)			
	30-Sep-21	31-Mar-21	31-Mar-20	31-Mar-19	30-Sep-21	31-Mar-21	31-Mar-20	31-Mar-19
a. Reconciliation of opening and closing balances of Defined Benefit obligation								
Defined Benefit obligation at beginning of the year	31.74	31.62	20.54	16.18	7.37	8.60	7.51	-
Current Service Cost	3.87	9.14	5.43	3.50	1.30	2.67	1.73	1.08
Interest Cost	0.93	1.71	1.10	1.10	0.19	0.44	0.38	-
Past Service Cost - (Vested benefits)	-	-	-	-	-	-	-	-
Actuarial (gain)/loss	0.41	(5.01)	5.31	0.14	1.13	(2.05)	(0.30)	6.42
Other Comprehensive Income	3.35	-	-	-	-			
Benefits paid	(0.86)	(5.71)	(0.76)	(0.38)	(0.30)	(2.29)	(0.72)	-
Defined Benefit obligation at year end	**39.45**	**31.74**	**31.62**	**20.54**	**9.68**	**7.37**	**8.60**	**7.51**
b. Reconciliation of fair value of assets and obligations								
Fair value of plan assets at year end		-	-	-		-	-	-
Present value of obligation at year end	39.45	31.74	31.62	20.54	9.68	7.37	8.60	7.51
Amount recognised in Balance Sheet								
- Current	5.93	5.47	7.12	7.34	1.88	1.77	2.55	3.36
- Non- Current	33.52	26.28	24.50	13.20	7.80	5.59	6.05	4.14
c. Expenses recognized during the year/period								
Current Service Cost	3.87	9.14	5.43	3.50	1.30	2.67	1.73	1.08
Interest Cost	0.93	1.71	1.10	1.10	0.19	0.44	0.38	-
Past Service Cost - (Vested benefits		-	-	-		-	-	-
Expected return on plan assets		-	-	-		-	-	-
Actuarial (gain) / loss					1.13	(2.05)	(0.30)	6.42
Benefits paid		-	-	-		-	(0.15)	-
Net Cost	**4.80**	**10.85**	**6.53**	**4.60**	**2.61**	**1.06**	**1.66**	**7.51**
d. Amount recognised in other comprehensive income								
Due to Demographic Assumption		1.77	4.71					
Due to Financial Assumption	5.49	(4.31)	1.43	0.59				
Due to Experience	(1.73)	(2.48)	(0.83)	(0.45)				
Actuarial (gain) / loss	**3.76**	**(5.01)**	**5.31**	**0.14**				
e. Fair Value of Plan Assets								
Contributions by Employer	0.86	5.52	0.47	0.47				
Benefits Paid	(0.86)	(5.52)	(0.47)	(0.47)				
f. Amounts to be recognized in the balance sheet and statement of profit & loss								
PVO at end of period	39.45	28.30	28.63	18.54				
Fair Value of Plan Assets at end of period								
Funded Status	(39.45)	(28.30)	(28.63)	(18.54)				
Net Asset/(Liability) recognized in the balance sheet	-	-	-	-				
g. Amount for the current and previous four years are as follows :								
Defined Benefit Obligation	39.45	31.74	31.62	20.54	9.68	7.37	8.60	7.51
Plan Assets	2.55	-	-	-	-	-	-	-
Gain/ Loss on obligation due to change in Assumption	-	(1.13)	2.00	-	-	(0.85)	0.70	-
Experience Adjustments on plan Liabilities	-	(2.98)	(0.36)	(1.26)	-	(0.90)	(1.38)	5.81
Experience Adjustments on plan Assets	-	-	-	-	-	-	-	-

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Sensitivity Analysis	DR: Discount Rate		ER: Salary Escalation Rate		DR: Discount Rate		ER: Salary Escalation Rate	
	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%	PVO DR +1%	PVO DR -1%	PVO ER +1%	PVO ER -1%
	30th September 2021				30th September 2021			
PVO	23.89	31.09	30.23	24.45	4.08	5.21	5.18	4.10
	31st March 2021				31st March 2021			
PVO	18.75	23.91	23.39	19.05	2.90	3.64	3.62	2.91
	31st March 2020				31st March 2020			
PVO	19.59	24.71	23.91	20.15	3.62	4.52	4.49	3.63
	31st March 2019				31st March 2019			
PVO	13.72	16.30	15.80	13.99	2.79	3.26	3.24	2.80

The estimated future salary increases takes into account inflation, seniority, promotion and other retirement factors including supply and demand in the employment market. The above information is certified by the actuary.

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Note 39 : Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:
Names of related parties and nature of relationship
Key Managerial Personnel (KMP)

Name	Designation
Mr. Arun Kelkar	Chairman
Mrs. Anuradha Kelkar	Whole Time Director (Resigned wef April 5, 2020)
Mr. Subhash Kelkar	Executive Director
Mr. Vikram Kelkar	Managing Director
Dr. Nikhil Kelkar	Joint Managing Director
Mr. Aditya Kelkar	Director
Mr. Mayur Sirdesai	Non Executive Director
Mr. Vinay Deshmukh	Executive Director (Resigned w.e.f september 30, 2018)
Dr. Vijaykumar Ramteke	Independent Director (Resigned w.e.f september 30, 2018)
Mr. Guman mal Jain	Chief Financial Officer (Appointed w.e.f. September 6, 2021)
Ms. Surabhi Dubey	Company Secretary (Resigned w.e.f June 17, 2019)
Ms. Poonam Sharma	Company Secretary (Appointed wef September 27th 2019)

Name	Relation
Mrs. Nutan S Kelkar	Relative of Director
Mr. Madhu G Gokhale	Relative of Director

Name	Relation
Sunrise Nutrition Private Limited	Director have significant influence in the Company

Company Name	Percentage
Hexagon Nutrition (Exports) Private Limited - India	100% wholly owned subsidiary
Hexagon Nutrition (International) Private Limited - India	100% wholly owned subsidiary
Nutralytica Research Private Limited - India	100% wholly owned subsidiary
Hexagon Nutrition Healthcare Private Limited - India	100% wholly owned subsidiary
Hexagon Nutrition Proprietary Ltd.- South Africa	100% wholly owned subsidiary
Hexagon Nutrition LLC - Uzbekistan	100% wholly owned subsidiary
Hexagon Nutrition China Ltd. - Hong Kong	100% wholly owned subsidiary

A) Related Parties Transaction of Hexagon Nutrition Limited with:
1) Hexagon Nutrition (Exports) Private Limited

Sr No	Nature of the transactions	30-Sep-2021	31-Mar-2021	31-Mar-2020	31-Mar-2019
1	Purchase of Goods	36.88	54.59	51.17	81.09
2	Sale of Goods	2.90	14.14	7.51	2.38
3	Sales of MEIS Script	-	1.27	-	-
4	Jobwork charges Paid	-	-	-	5.71
5	Sale of Capital Items	-	-	0.15	-
6	Purchase of Capital Items	-	-	0.61	-
7	Financial Bank Guarantee	250.50	260.50	260.50	293.00
8	Business Support Service Income	-	-	4.56	3.93
9	ESOP Expenses Recovered	-	-	1.16	0.58
	Amount due to Related Parties	33.47	28.49	37.46	72.98
	Amount due from Related Parties	0.08	-	1.86	5.10

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2) Hexagon Nutrition (International) Private Limited

Sr No	Nature of the transactions	30-Sep-2021	31-Mar-2021	31-Mar-2020	31-Mar-2019
1	Purchase of Goods	10.02	41.45	57.83	25.84
2	Sale of Goods	0.08	3.22	2.71	33.54
3	Sales of MEIS Script	-	1.24	0.26	-
4	Jobwork charges Paid	-	-	-	9.66
5	Sale of Capital Items	-	3.46	-	2.16
6	Purchase of Capital Items	-	-	0.94	-
7	Financial Bank Guarantee	188.90	91.70	91.50	91.50
8	Business Support Service Income	-	-	4.19	3.93
9	ESOP Expenses Recovered	-	-	0.05	0.13
10	Loan Given	70.00	34.22	39.00	25.75
11	Loan Repayment Received	7.50	94.26	15.46	15.00
12	Interest on Loan Given	2.09	4.82	4.61	4.16
	Amount due to Related Parties	-	-	3.41	9.11
	Amount due from Related Parties	0.02	0.27	2.94	44.35

3) Nutralytica Research Private Limited

Sr No	Nature of the transactions	30-Sep-2021	31-Mar-2021	31-Mar-2020	31-Mar-2019
1	Sale of Goods	-	-	-	0.00
2	Testing and Analysis Charges Paid	16.68	20.00	11.49	15.91
3	Business Support Service Income	-	-	0.82	0.79
4	ESOP Expenses Recovered	-	-	0.05	0.07
5	Loan Given	3.17	2.60	11.73	2.79
6	Loan Repayment Received	1.50	8.50	-	3.53
7	Interest on Loan Given	0.85	1.75	1.65	1.14
	Amount due to Related Parties	10.12	2.23	0.11	0.98
	Amount due from Related Parties	-	-	-	0.85

4) Hexagon Nutrition Healthcare Private Limited

Sr No	Nature of the transactions	30-Sep-2021	31-Mar-2021	31-Mar-2020	31-Mar-2019
1	Capital Contribution	-	-	0.10	-

5) Hexagon Nutrition Proprietary Limited

Sr No	Nature of the transactions	30-Sep-2021	31-Mar-2021	31-Mar-2020	31-Mar-2019
1	Capital Contribution	-	-	3.23	-
2	Loan Given	-	7.33	4.28	-
3	Loan Repayment Received	-	-	-	-
4	Interest on Loan Given	0.28	0.33	0.05	-
	Amount due to Related Parties	-	-	-	-
	Amount due from Related Parties	-	-	-	-

6) Hexagon Nutrition LLC

Sr No	Nature of the transactions	30-Sep-2021	31-Mar-2021	31-Mar-2020	31-Mar-2019
1	Sale of Goods	21.31	-	-	-
2	Sale of Capital Items	0.74	-	-	-
3	Capital Contribution	-	-	0.72	-
4	Loan Given	-	29.38	32.25	-
5	Loan Repayment Received	-	-	-	-
6	Interest on Loan Given	1.29	1.57	0.13	-
	Amount due to Related Parties	-	-	-	-
	Amount due from Related Parties	5.21	-	-	-

7) Hexagon Nutrition China Limited

Sr No	Nature of the transactions	30-Sep-2021	31-Mar-2021	31-Mar-2020	31-Mar-2019
1	Loan Given	7.53	-	-	-
2	Loan Repayment Received	-	-	-	-
3	Interest on Loan Given	0.02	-	-	-

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B) Transaction with Key Managerial Personnel (KMP) and their Relatives :

Name of Key Management Personnel & Relatives	30-Sep-2021	31-Mar-2021	31-Mar-2020	31-Mar-2019
Key Management Personnel	**Director's Remuneration**			
Mr. Arun Kelkar	4.53	9.44	8.47	7.31
Mrs. Anuradha Kelkar	-	3.07	7.25	6.25
Dr. Nikhil Kelkar	4.40	9.07	7.82	6.74
Mr. Vikram Kelkar	5.39	11.16	9.59	7.87
Mr.Subhash Kelkar	4.08	8.50	7.62	5.85
Mr. Aditya Kelkar	1.87	3.95	3.65	2.55
Mr. Vinay Deshmukh	-	-	-	0.53
Dr. Vijaykumar Ramteke	-	-	-	0.20
	30-Sep-2021	**31-Mar-2021**	**31-Mar-2020**	**31-Mar-2019**
Key Management Personnel	**Rent**			
Mr. Arun Kelkar	-	0.07	0.27	0.32
Mr.Subhash Kelkar	-	0.25	0.18	-
Amount due to Related Parties	-	-	0.02	0.03
	30-Sep-2021	**31-Mar-2021**	**31-Mar-2020**	**31-Mar-2019**
Key Management Personnel	**Salary**			
Mr. Guman mal Jain	0.43	-	-	-
Ms. Surabhi Dubey	-	-	0.15	0.59
Ms. Poonam Sharma	0.29	0.54	0.26	-
	30-Sep-2021	**31-Mar-2021**	**31-Mar-2020**	**31-Mar-2019**
Relatives under significant influence	**Salary**			
Mrs. Nutan S Kelkar	0.83	1.66	1.66	1.66
	30-Sep-2021	**31-Mar-2021**	**31-Mar-2020**	**31-Mar-2019**
Relatives under significant influence	**Rent**			
Mr. Madhu G Gokhale	-	-	0.17	-

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Note 40 : Disclosures in terms of Guidance Notes on accounting for employee share based payments or any other relevant accounting standards:

A. Summary

Sr.	Description	March 31, 2020	March 31, 2019
1	Date of Shareholders Approval	22nd December 2017	22nd December 2017
2	Total number of options approved under the scheme	1098852 equity shares	1098852 equity shares
3	Date of Grant of option	1st March 2018	1st March 2018
4	Options granted	990000 equity shares	990000 equity shares
5	Vesting Schedule	2 years from the date of grant	2 years from the date of grant
6	Pricing Formula	Rs. 7/- per option,	Rs. 7/- per option,
7	Maximum term of options granted	2 years from the date of grant	2 years from the date of grant
8	Source of shares	Primary	Primary
9	Variation in terms of options	NIL	NIL
10	Method used for accounting of ESOP	Fair Value Method	Fair Value Method
11	Where the Company has calculated the intrinsic value of the stock option the difference between the employee compensation cost so calculated and the employee compensation that would have been recognised if it had used the Fair Value of the option, shall be disclosed. The impact of this difference on the profits and EPS of the company shall also be disclosed.	The Company had used the Fair Value of Shares under Discounted Cash Flow Method (DCF). The Profit Impacted on Account of difference in the Valuation i.e Rs. 17.80 Per Shares Less Rs. 7 per share issued Price amounting to Rs. 2.81 mn EPS on account of the ESOP had impacted by Rs. 0.0294/- per share.	The Company had used the Fair Value of Shares under Discounted Cash Flow Method (DCF). The Profit Impacted on Account of difference in the Valuation i.e Rs. 11.38 Per Shares Less Rs. 7 per share issued Price amounting to Rs. 1.57 mn EPS on account of the ESOP had impacted by Rs. 0.0186/- per share.
12	Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard Earnings Per Share	Diluted EPS pursuant to issue of shares on exercise of option of Rs. 0.0294/- per share.	Diluted EPS pursuant too issue of shares on exercise of option of Rs. 0.0219/- per share.

B. Options movement during the year

Sr.	Description	March 31, 2020	March 31, 2019
1	Options outstanding at the beginning of the year	-	-
2	Options granted during the year	3,10,000	9,90,000
3	Options vested during the year	3,10,000	495000
4	Options exercised during the year	2,60,000	362500
5	No. of shares arising as a result of exercise of options during	2,60,000	357500
6	Options cancelled and transferred to ESOP Pool	50,000	5000
7	Options outstanding at the end of the year	-	495000
8	Options exercisable at the end of the year	-	495000
9	Money realized by exercise of options (Rs. In Mn)	1.82	2.50

C. Options granted to Senior Managerial Personnel/Key Managerial personnel

1. Mr. Amit Kataria (vice President-HNEPL) - 37500 Equity shares in 2020 and 37500 shares in 2019
2. Mr. Arun om Lal (Vice President domestic premix business) - 37500 Equity shares in 2020 and 37500 shares in 2019
3 Ms. Surabhi Dubey (Company Secretary) 5000 Equity shares in 2019. (Resigned w.e.f. June 17 2019)

D. Options granted to any employee during the year amounting to 5% or more of options granted during the year

1. Mr. Amit Kataria (vice President-HNEPL) - 37500 Equity shares in 2020 and 37500 shares in 2019
2. Mr. Arun om Lal (Vice President domestic premix business) - 37500 Equity shares in 2020 and 37500 shares in 2019

E. Options granted to any employee equal to or exceeding 1% of the issued capital of the company at the time of grant

N.A

F. A description of the method and significant assumptions used during the year to estimate fair value of options including the following information:

(a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;
(b) the method used and the assumptions made to incorporate the effects of expected early exercise;
(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and
(d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.

G. The model inputs for fair value of option during the year ended March 31, 2019 and March 31, 2020 :

Particulars	March 31, 2020	March 31, 2019
Exercise Price	Rs. 7/- Per share	Rs. 7/- Per share
Dividend Yield	N.A.	N.A.
Risk Free Interest Rate	17.08%	16.90%

i. The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.
ii. Fair value of options has been determined by an independent valuer (Category I Merchant Banker) using DCF Method.

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Note 41 : Tax Expenses

(a) Amount recognised in the statement of profit and loss

Particulars	Year Ended 30 September 2021	Year Ended 31 March 2021	Year Ended 31 March 2020	Year Ended 31 March 2019
Current tax expense (A)				
Current year	55.23	71.88	57.50	47.42
Tax For Earlier Years	0.00	(0.22)	0.37	0.51
Deferred tax expense (B)				
Origination and reversal of temporary differences	5.60	11.13	20.31	(6.68)
Tax expense (A+B)	**60.83**	**82.79**	**78.18**	**41.25**

(b) Amounts recognised in other comprehensive income

Particulars	Year Ended 30 Sept 2021			Year Ended 31 March 2021			Year Ended 31 March 2020			Year Ended 31 March 2019		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss												
Remeasurement of post employment benefit obligation	(3.85)	1.12	(2.73)	5.01	(1.46)	3.55	(5.31)	1.55	(3.76)	(0.14)	0.04	(0.10)
	(3.85)	**1.12**	**(2.73)**	**5.01**	**(1.46)**	**3.55**	**(5.31)**	**1.55**	**(3.76)**	**(0.14)**	**0.04**	**(0.10)**

(c) Reconciliation of effective tax rate

Particulars	30 Sept 2021	31 March 2021	31 March 2020	31 March 2019
Profit/(loss) before tax	212.92	311.40	263.85	189.50
Tax using the Company's domestic tax rate (Current year 29.12%)	62.00	90.68	76.83	55.18
Tax effect of :				
Effect of income which is exempt from taxation	(4.95)	(1.37)	(6.07)	(12.08)
Effect of expenses that is non-deductible in determining taxable profit	0.33	0.25	0.47	0.17
Change in temporary differences not consider in Income tax	5.60	11.13	20.31	(6.68)
Other adjustments	(2.15)	(17.68)	(13.73)	4.15
Adjustments recognised in current year in relation to the current tax of prior years	0.00	(0.22)	0.37	0.51
Tax expense as per statement of profit and loss	**60.83**	**82.79**	**78.18**	**41.25**
Effective tax rate	**29%**	**27%**	**30%**	**22%**

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(d) Movement in deferred tax balances

Particulars	Net balances at 31 March 2021	Recognised in the statement of profit and loss	Recognised in OCI	Balance at 30 September 2021		
				Net	Deferred tax asset	Deferred tax liabilities
Disallowance u/S 43B of the Income Tax Act, 1961	16.95	2.73	-	14.22	14.22	-
Provision for Expected credit loss	3.33	0.75	-	2.58	2.58	-
On adoption of Ind AS 116 Leases	0.88	(0.07)	-	0.95	0.95	-
Gain on Investments carried at fair value	(0.69)	(0.05)	-	(0.64)	-	0.64
Financial assets carried at amortised cost	(0.06)	0.00	-	(0.06)	-	0.06
On adoption of Ind AS 116 Leases	(0.26)	0.01	-	(0.27)	-	0.27
Financial liabilities carried at amortised cost	(0.24)	(0.04)	-	(0.20)	-	0.20
Employee Benefit expenses	-	1.12	(1.12)		-	-
Related to Property, Plant and Equipment	(4.58)	(0.68)		(3.90)	-	3.90
MAT Credit Entitlement	10.48	1.84	-	8.64	8.64	-
Tax assets (liabilities) before set-off	**25.81**	**5.61**	**(1.12)**	**21.32**	26.39	5.07
Set-off of deferred tax liabilities					(5.07)	
Net deferred tax assets/ (liabilities)					**21.32**	

Particulars	Net balances at 31 March 2020	Recognised in the statement of profit and loss	Recognised in OCI	Balance at 31 March 2021		
				Net	Deferred tax asset	Deferred tax liabilities
Disallowance u/S 43B of the Income Tax Act, 1961	18.55	1.60	-	16.95	16.95	-
Provision for Expected credit loss	6.69	3.36	-	3.33	3.33	-
On adoption of Ind AS 116 Leases	0.75	(0.13)	-	0.88	0.88	-
Gain on Investments carried at fair value	(0.20)	0.49	-	(0.69)	-	0.69
Financial assets carried at amortised cost	(0.06)	0.00	-	(0.06)	-	0.06
On adoption of Ind AS 116 Leases	(0.26)	0.00	-	(0.26)	-	0.26
Financial liabilities carried at amortised cost	(0.34)	(0.10)	-	(0.24)	-	0.24
Employee Benefit expenses	-	(1.46)	1.46		-	-
Related to Property, Plant and Equipment	(4.88)	(0.30)	-	(4.58)	-	4.58
MAT Credit Entitlement	18.14	7.66	-	10.48	10.48	-
Tax assets (liabilities) before set-off	**38.39**	**11.12**	**1.46**	**25.81**	31.64	5.83
Set-off of deferred tax liabilities					(5.83)	
Net deferred tax assets/ (liabilities)					**25.81**	

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Particulars	Net balances at 31 March 2019	Recognised in the statement of profit and loss	Recognised in OCI	Balance at 31 March 2020		
				Net	Deferred tax asset	Deferred tax liabilities
Disallowance u/S 43B of the Income Tax Act, 1961	21.91	3.36	-	18.55	18.55	-
Provision for Expected credit loss	9.70	3.01	-	6.69	6.69	-
On adoption of Ind AS 116 Leases	-	(0.75)	-	0.75	0.75	-
Gain on Investments carried at fair value	(0.05)	0.15	-	(0.20)	-	0.20
Financial assets carried at amortised cost	(0.06)	(0.00)	-	(0.06)	-	0.06
On adoption of Ind AS 116 Leases	0.41	0.67	-	(0.26)	-	0.26
Financial liabilities carried at amortised cost	(0.43)	(0.09)	-	(0.34)	-	0.34
Employee Benefit expenses	-	1.55	(1.55)	-	-	-
Related to Property, Plant and Equipment	(5.65)	(0.77)	-	(4.88)	-	4.88
MAT Credit Entitlement	31.32	13.18	-	18.14	18.14	-
Tax assets (liabilities) before set-off	**57.15**	**20.31**	**(1.55)**	**38.39**	44.13	5.74
Set-off of deferred tax liabilities					(5.74)	
Net deferred tax assets/ (liabilities)					**38.39**	

Particulars	Net balances at 1 April 2018	Recognised in the statement of profit and loss	Recognised in OCI	Recognised in Equity	Balance at 31 March 2019		
					Net	Deferred tax asset	Deferred tax liabilities
Disallowance u/S 43B of the Income Tax Act, 1961	37.80	15.89	-	-	21.91	21.91	-
Provision for Expected credit loss	8.57	(1.13)	-	-	9.70	9.70	-
Gain on Investments carried at fair value	-	0.05	-	-	(0.05)	-	0.05
Financial assets carried at amortised cost	(0.06)	(0.00)	-	-	(0.06)	-	0.06
On adoption of Ind AS 116 Leases	-	(0.27)	-	(0.14)	0.41	-	-
Financial liabilities carried at amortised cost	(0.51)	(0.08)	-	-	(0.43)	-	0.43
Employee Benefit expenses	-	0.04	(0.04)	-	-	-	-
Related to Property, Plant and Equipment	(7.18)	(1.53)	-	-	(5.65)	-	5.65
MAT Credit Entitlement	11.69	(19.63)	-	-	31.32	31.32	-
Tax assets (liabilities) before set-off	**50.31**	**(6.66)**	**(0.04)**	**(0.14)**	**57.15**	62.94	6.19
Set-off of deferred tax liabilities						(6.19)	
Net deferred tax assets/ (liabilities)						**56.75**	

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Note 42 : Leases

Effective April 1, 2019, the group has adopted Ind AS 116, Leases, using modified retrospective approach. On adoption of the new standard IND AS 116 resulted in recognition of 'Right of Use' assets and a lease liability . The cumulative effect of applying the standard was debited to retained earnings. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021.

Particulars	**As at September 30 2021**	**As at March 31 2021**	**As at March 31 2020**
Opening carrying value of Rights to use Assets	10.75	11.93	-
Transition impact on account of adoption of Ind AS 116	-	-	13.11
Addition	-	-	-
Depreciation	(1.18)	(1.18)	(1.18)
Deletion	-	-	-
Balance	**9.57**	**10.75**	**11.93**

The following is the break-up of current and non-current lease liabilities as at March 31, 2021

Particulars	**As at September 30 2021**	**As at March 31 2021**	**As at March 31 2020**
Current lease liabilities	2.78	2.78	3.94
Non-Current lease liabilities	13.16	13.16	12.54
Balance	**15.94**	**15.94**	**16.48**

The following is the movement in lease liabilities during the year ended March 31, 2021:

Particulars	**As at September 30 2021**	**As at March 31 2021**	**As at March 31 2020**
Opening balance of lease liabilities	15.94	16.49	-
Transition impact on adoption of Ind AS 116	-	-	16.88
Addition	-	-	-
Finance cost accrued during the period	1.46	1.46	1.51
Payment of lease liabilities	(2.01)	(2.01)	(1.90)
Deletion	-	-	-
Balance	**15.39**	**15.94**	**16.49**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis :

Particulars	**Year ended 30 Sept 2021**	**Year ended 31 March 2021**	**Year ended 31 March 2020**
- Less than one year	1.37	2.01	2.08
- Later than one year but not later than five years	5.01	6.24	7.04
- Later than five years	776.35	776.72	777.44
TOTAL	**782.73**	**784.97**	**786.56**

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Note 43A : Financial instruments – Fair values and risk management :
A) Accounting classification and fair values
The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

As at 30 September 2021	Note No.	Carrying amount			Fair value			Total
		FVTPL	FVTOCI	Amortised Cost	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial assets								
Investments (current)	*10*	104.50			-	104.50	-	104.50
Trade receivables	*11*		-	580.04	-	-	-	-
Cash and cash equivalents	*12*	-	-	123.25	-	-	-	-
Bank Balance other than Cash and cash equivalents	*13*			61.07	-	-	-	-
Other financial assets	*6 & 14*			50.53	-	-	-	-
		104.50	**-**	**814.89**				
Financial liabilities								
Borrowings	*19 & 22*	-	-	244.33	-	-	-	-
Trade payables	*23*	-	-	285.83	-	-	-	-
Other financial liabilities	*20 & 24*	-	-	89.46	-	-	-	-
		-	**-**	**619.62**				

As at 31 March 2021	Note No.	Carrying amount			Fair value			Total
		FVTPL	FVTOCI	Amortised Cost	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial assets								
Investments (current)	*10*	180.51	-	-	-	180.51	-	180.51
Trade receivables	*11*		-	404.64	-	-	-	-
Cash and cash equivalents	*12*	-	-	175.05	-	-	-	-
Bank Balance other than Cash and cash equivalents	*13*	-	-	44.99	-	-	-	-
Other financial assets	*6 & 14*	-	-	53.15	-	-	-	-
		180.51	**-**	**677.83**				
Financial liabilities								
Borrowings	*19 & 22*	-	-	202.65	-	-	-	-
Trade payables	*23*	-	-	354.70	-	-	-	-
Other financial liabilities	*20 & 24*	-	-	67.72	-	-	-	-
		-	**-**	**625.07**				

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As at 31 March 2020	Note No.	Carrying amount			Fair value			Total
		FVTPL	FVTOCI	Amortised Cost	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial assets								
Investments (current)	*10*	115.48	-	-	-	115.48	-	115.48
Trade receivables	*11*	-	-	413.93	-	-	-	-
Cash and cash equivalents	*12*	-	-	160.28	-	-	-	-
Bank Balance other than Cash and cash equivalents	*13*	-	-	80.41	-	-	-	-
Other financial assets	*6 & 14*	-	-	58.51	-	-	-	-
		115.48	**-**	**713.13**				
Financial liabilities								
Borrowings	*19 & 22*	-	-	336.50	-	-	-	-
Trade payables	*23*	-	-	322.57	-	-	-	-
Other financial liabilities	*20 & 24*	-	-	70.91	-	-	-	-
		-	**-**	**729.98**				

As at 31 March 2019	Note No.	Carrying amount			Fair value			Total
		FVTPL	FVTOCI	Amortised Cost	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial assets								
Investments (current)	*10*	68.72	-	-	-	68.72	-	68.72
Trade receivables	*11*	-	-	567.95	-	-	-	-
Cash and cash equivalents	*12*	-	-	33.95	-	-	-	-
Bank Balance other than Cash and cash equivalents	*13*	-	-	37.03	-	-	-	-
Other financial assets	*6 & 14*	-	-	77.81	-	-	-	-
		68.72	**-**	**716.74**				
Financial liabilities								
Borrowings	*19 & 22*	-	-	302.49	-	-	-	-
Trade payables	*23*	-	-	450.92	-	-	-	-
Other financial liabilities	*20 & 24*	-	-	69.30	-	-	-	-
		-	**-**	**822.71**				

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B) Measurement of fair values

Valuation techniques and significant unobservable inputs
The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used.

Financial instruments measured at fair value through profit or loss

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment in mutual funds	The fair values of investments in mutual fund units is based on the net asset value ("NAV") as stated by the issuer of these mutual fund units in the published statements as at Balance Sheet date.NAV represents the price at which the issuer will issue further units of mutual fund and the price at which the issuers will redeem such units from the investor.	Not applicable	Not applicable

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43 B) Financial risk management

The Group has exposure to the following risks arising from financial instruments:

a. credit risk ;
b. liquidity risk ; and
c. market risk

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment.

The audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

a. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. The carrying amounts of financial assets represent the maximum credit exposure.

Trade receivables

The Group extends credit to customers in normal course of business. The Group considers factors such as credit track record in the market and past dealings for extension of credit to customers. To manage credit risk, the Group periodically assesses the financial reliability of the customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. Outstanding customer receivables are regularly monitored to make an assessment of recoverability. Receivables are provided as doubtful / written off, when there is no reasonable expectation of recovery. Where receivables have been provided / written off, the Group continues regular follow up,engage with the customers, legal options / any other remedies available with the objective of recovering these outstandings.The Group is not exposed to concentration of credit risk to any one single customer since services are provided to vast spectrum. The Group also takes security deposits, advances , post dated cheques etc from its customers, which mitigate the credit risk to an extent.

Investments in companies

The Group has made investments in subsidiaries. The Group does not perceive any credit risk pertaining to investments made in such related entities.

Cash and cash equivalents

The Group held cash and cash equivalents with credit worthy banks of Rs 184.32mn as at 30 September 2021 Rs. 220.00 mn as at 31 March 2021 ; Rs. 240.69mn as at 31 March 2020 and Rs. 70.98mn as at 31 March 2019 respectively. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

Exposure to credit risk

The allowance for impairment in respect of trade receivables during the year was Rs. (2.95)mn [31.3.2021 : Rs (10.21)mn ; 31.3.2020 : Rs. (10.34)mn , 31.3.2019: Rs. (3.88) mn]

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

Particulars	**Amount in INR MN**
Balance as at 1 April 2018	**29.43**
Impairment loss recognised	3.88
Balance as at 31 March 2019	**33.31**
Impairment loss recognised	(10.34)
Balance as at 31 March 2020	**22.97**
Impairment loss recognised	(10.21)
Balance as at 31 March 2021	**12.76**
Impairment loss recognised	(2.95)
Balance as at 30 September 2021	**9.80**

The Group has no other financial assets that are past due but not impaired.

b. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

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Exposure to liquidity risk
The table below summarises the maturity profile of the Group's financial liabilities at the balance sheet date based on contractual undiscounted repayment obligations.

Particulars	Contractual cash flows			
	One year or less	1 - 5 years	More than 5 years	Total
As at 30 September 2021				
Non - derivative financial liabilities				
Borrowings	190.56	53.77	-	244.33
Trade payables	285.83	-	-	285.83
Other financial liabilities	73.23	16.23	-	89.46
	549.62	**70.00**	**-**	**619.62**
As at 31 March 2021				
Non - derivative financial liabilities				
Borrowings	131.42	71.23	-	202.65
Trade payables	354.70	-	-	354.70
Other financial liabilities	51.19	16.53	-	67.72
	537.31	**87.76**	**-**	**625.07**
As at 31 March 2020				
Non - derivative financial liabilities				
Borrowings	217.06	119.44	-	336.50
Trade payables	322.57	-	-	322.57
Other financial liabilities	53.68	17.24	-	70.92
	593.31	**136.68**	**-**	**729.99**
As at 31 March 2019				
Non - derivative financial liabilities				
Borrowings	147.83	154.66	-	302.49
Trade payables	450.92	-	-	450.92
Other financial liabilities	53.51	15.79	-	69.30
	652.26	**170.45**	**-**	**822.71**

c. Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and bank deposits. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk
Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to interest rate risk:
The Group's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from banks.

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

Particulars	30 September 2021	31 March 2021	31 March 2020	31 March 2019
Fixed-rate instruments:				
Financial asset (Bank deposits)	61.64	45.55	80.84	37.29
Financial liabilities (Borrowings)	(0.79)	(1.10)	(1.86)	(2.55)
	60.85	**44.45**	**78.98**	**34.74**
Variable-rate instruments:				
Financial liabilities (Borrowings)	(243.53)	(201.55)	(334.64)	(299.94)
	(243.53)	**(201.55)**	**(334.64)**	**(299.94)**

Fair value sensitivity analysis for fixed-rate instruments

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The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Group's loss before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	30 September 2021	31 March 2021	31 March 2020	31 March 2019
Increase in basis points	50 basis points	50 basis points	50 basis points	50 basis points
Effect on loss before tax, increase by	(1.22)	(1.01)	(1.67)	(1.50)
Decrease in basis points	50 basis points	50 basis points	50 basis points	50 basis points
Effect on loss before tax, decrease by	(1.22)	(1.01)	(1.67)	(1.50)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

The Group is exposed to currency risk on account of its operating and financing activities. The functional currency of the Group is Indian Rupee. Our exposure are mainly denominated in U.S. dollars. The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Group's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Group has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at September 30, 2021 March 31, 2021, March 31, 2020,March 31, 2019 are as below:

30th September, 2021	**USD mn**	**Euro mn**	**RAND/ZAR mn**
Financial assets			
Advance to suppliers	-	0.00	-
Trade Receivables	5.65	0.57	-
Loans Given to subsidiaries	1.07	-	0.95
Net exposure for assets	**6.72**	**0.57**	**0.95**
Financial liabilities			
Advance from customers	0.24	0.00	-
Trade Payables	1.81	-	-
FCNR Loan	1.23	-	-
PCFC Loan	0.70	-	-
Net exposure for liabilities	**3.98**	**0.00**	**-**
Net exposure (Assets - Liabilities)	**2.74**	**0.57**	**0.95**

31st March, 2021	**USD mn**	**Euro mn**	**RAND/ZAR mn**
Financial assets			
Advance to suppliers	-	0.00	-
Trade Receivables	4.04	0.40	-
Net exposure for assets	**4.04**	**0.40**	**-**
Financial liabilities			
Advance from customers	0.24	0.02	-
Trade Payables	2.43	-	-
FCNR Loan	1.08	-	-
Net exposure for liabilities	**3.75**	**0.02**	**-**
Net exposure (Assets - Liabilities)	**0.29**	**0.38**	**-**

31st March, 2020	**USD mn**	**Euro mn**	**RAND/ZAR mn**
Financial assets			
Trade Receivables	6.27	0.31	
Net exposure for assets	**6.27**	**0.31**	**-**
Financial liabilities			
Advance from customers	0.11	0.04	-
Trade Payables	2.63	-	-
PCFC Loan	0.15	-	-
FCNR Loan	9.85	-	-
Net exposure for liabilities	**12.74**	**0.04**	**-**
Net exposure (Assets - Liabilities)	**(6.47)**	**0.27**	**-**

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31st March, 2019	**USD mn**	**Euro mn**	**RAND/ZAR mn**	**SGD mn**
Financial assets				
Trade Receivables	5.57	0.41	-	-
Net exposure for assets	**5.57**	**0.41**	**-**	**-**
Financial liabilities				
Advance from customers	0.01	0.04	-	-
Trade Payables	4.13	0.09	-	0.01
Post Shipment Credit	0.77	-	-	-
Net exposure for liabilities	**4.91**	**0.13**	**-**	**0.01**
Net exposure (Assets - Liabilities)	**0.66**	**0.28**	**-**	**(0.01)**

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets, the impact indicated below may affect the Group's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Impact of movement on Profit or (loss) and Equity :

	Profit or (loss) and Equity	
Effect in INR (before tax)	Strengthening	Weakening
For the Six Months Ended 30th September, 2021		
1% movement		
USD	(1.97)	1.97
EURO	(0.48)	0.48
RAND	(0.05)	0.05
	(2.50)	**2.50**

	Profit or (loss) and Equity	
Effect in INR (before tax)	Strengthening	Weakening
For the year ended 31st March, 2021		
1% movement		
USD	2.67	(2.67)
EURO	(0.32)	0.32
RAND	(0.05)	0.05
	2.30	**(2.30)**

	Profit or (loss) and Equity	
Effect in INR (before tax)	Strengthening	Weakening
For the year ended 31st March, 2020		
1% movement		
USD	2.56	(2.56)
EURO	(0.22)	0.22
RAND	(0.04)	0.04
	2.30	**(2.30)**

	Profit or (loss) and Equity	
Effect in INR (before tax)	Strengthening	Weakening
For the year ended 31st March, 2019		
1% movement		
USD	(2.53)	2.53
EURO	(0.37)	0.37
SGD	0.01	(0.01)
	(2.89)	**2.89**

Commodity and other price risk
The Group is not exposed to the commodity risk.

Price risk:
The Group is exposed to price risk arising from investments held by the Group and classified in the balance sheet either as fair value through profit or loss. To manage its price risk arising from investment in securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

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b) Financial Instruments regularly measured using Fair Value - recurring items

Particulars	Fair Value					
	Financial assets/ Financial liabilities	Category	As at 30 September 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Investment in mutual funds- Quoted	Financial assets	FVTPL	104.50	180.51	115.48	68.72
			104.50	**180.51**	**115.48**	**68.72**

The table below summaries the impact of increases/decreases of the index on the Group's equity and profit for the period. The analysis is based on the assumption that the equity/index had increased by 1% or decreased by 1% with all other variables held constant, and that all the Group's equity instruments moved in line with the index.

On investments- Sensitivity analysis

As at 30 September 2021

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1% increase	1% decrease
Investment at FVTPL	104.50	104.50	1.05	(1.05)
	104.50	**104.50**	**1.05**	**(1.05)**

As at 31 March 2021

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1% increase	1% decrease
Investment at FVTPL	180.51	180.51	1.81	(1.81)
	180.51	**180.51**	**1.81**	**(1.81)**

As at 31 March 2020

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1% increase	1% decrease
Investment at FVTPL	115.48	115.48	1.15	(1.15)
	115.48	**115.48**	**1.15**	**(1.15)**

As at 31 March 2019

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1% increase	1% decrease
Investment at FVTPL	68.72	68.72	0.69	(0.69)
	68.72	**68.72**	**0.69**	**(0.69)**

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Note 44 : Capital Management

The Group manages the capital structure by a balanced mix of debt and equity. Necessary adjustments are made in the capital structure considering the factors vis-a-vis the changes in the general economic conditions, available options of financing and the impact of the same on the liquidity position. Higher leverage is used for funding more liquid working capital needs and conservative leverage is used for long-term capital investments. The Group calculates the level of debt capital required to finance the working capital requirements using traditional and modified financial metrics including leverage/gearing ratios and asset turnover ratios.

As of balance sheet date, leverage ratios is as follows:

Particulars	**As at 30 September 2021**	**As at 31 March 2021**	**As at 31 March 2020**	**As at 31 March 2019**
Total borrowings	244.86	203.19	337.49	303.47
Less: Cash and cash equivalents	123.25	175.05	160.28	33.95
Adjusted net debt	121.61	28.14	177.21	269.52
Total Equity	1,530.60	1,380.26	1,167.36	992.47
Adjusted net debt to adjusted equity ratio (times)	**0.08**	**0.02**	**0.15**	**0.27**

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Note 45 : Disclosure of additional information pertaining to the Parent Company and Subsidiaries :

30th September 2021	Net Assets (Total Assets) - (Total Liabilities)		Share in Profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Net Assets	As % of Consolidated Profit or Loss	Profit / (Loss)	As % of Consolidated Profit or Loss	Profit / (Loss)	As % of Consolidated Profit or Loss	Profit / (Loss)
Parent								
Hexagon Nutrition Private Limited	43.53	666.25	45.26	68.82	136.50	(2.38)	44.19	66.44
Indian Subsidiaries								
Direct Subsidiaries								
Hexagon Nutrition (International) Private Limited	13.86	212.13	22.96	34.93	11.72	(0.20)	23.10	34.73
Hexagon Nutrition (Exports) Pvt Ltd	49.06	750.91	36.09	54.89	(1.82)	0.03	36.53	54.92
Nutralytica Research Pvt Ltd.	0.03	0.41	2.99	4.55	6.84	(0.12)	2.95	4.43
Hexagon Nutrition Healthcare Pvt Ltd	0.05	0.83	-	-	-	-	-	-
Foreign Subsidiaries								
Direct Subsidiaries								
Hexagon Nutrition (PTY) Ltd.	(0.43)	(6.54)	(3.60)	(5.48)	-	-	(3.65)	(5.48)
Hexagon Nutrition LLC	(0.70)	(10.69)	(4.40)	(6.69)	-	-	(4.45)	(6.69)
Hexagon Nutrition China Limited	(0.01)	(0.14)	(0.03)	(0.05)	-	-	(0.03)	(0.05)
Adjustments due to Inter Company Elimination & other adjustments	(5.39)	(82.56)	0.73	1.12	(53.24)	0.93	1.36	2.05
Minority Interest in all subsidiaries	-	-	-	-	-	-	-	-
TOTAL	**100.00**	**1,530.60**	**100.00**	**152.09**	**100.00**	**(1.75)**	**100.00**	**150.34**

31st March 2021	Net Assets (Total Assets) - (Total Liabilities)		Share in Profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Net Assets	As % of Consolidated Profit or Loss	Profit / (Loss)	As % of Consolidated Profit or Loss	Profit / (Loss)	As % of Consolidated Profit or Loss	Profit / (Loss)
Parent								
Hexagon Nutrition Private Limited	43.46	599.80	24.90	56.92	77.47	2.10	25.51	59.02
Indian Subsidiaries								
Direct Subsidiaries								
Hexagon Nutrition (International) Private Limited	12.85	177.41	6.77	15.47	7.21	0.20	6.77	15.67
Hexagon Nutrition (Exports) Pvt Ltd	50.42	695.98	70.94	162.18	36.49	0.99	70.54	163.17
Nutralytica Research Pvt Ltd.	(0.29)	(4.02)	1.47	3.35	11.77	0.32	1.59	3.67
Hexagon Nutrition Healthcare Pvt Ltd	0.01	0.08	(0.00)	(0.01)	-	-	(0.00)	(0.01)
Foreign Subsidiaries								
Direct Subsidiaries								
Hexagon Nutrition (PTY) Ltd.	(0.11)	(1.45)	(0.90)	(2.05)	-	-	(0.89)	(2.05)
Hexagon Nutrition LLC	(0.33)	(4.59)	(2.39)	(5.46)	-	-	(2.36)	(5.46)
Hexagon Nutrition China Limited	(0.01)	(0.09)	(0.08)	(0.19)	-	-	(0.08)	(0.19)
Adjustments due to Inter Company Elimination & Other adjustments	(6.00)	(82.86)	(0.70)	(1.60)	(32.94)	(0.89)	(1.08)	(2.49)
Minority Interest in all subsidiaries	-	-	-	-	-	-	-	-
TOTAL	**100.00**	**1,380.26**	**100.00**	**228.61**	**100.00**	**2.71**	**100.00**	**231.32**

ANNEXURE V - Notes to the Restated Consolidated Ind AS Financial Statements
(All amounts in Rupees millions, unless otherwise stated)

31st March 2020	Net Assets (Total Assets) - (Total Liabilities)		Share in Profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Net Assets	As % of Consolidated Profit or Loss	Profit / (Loss)	As % of Consolidated Profit or Loss	Profit / (Loss)	As % of Consolidated Profit or Loss	Profit / (Loss)
Parent								
Hexagon Nutrition Private Limited	47.90	559.20	30.27	56.21	364.10	(2.36)	29.10	53.85
Indian Subsidiaries								
Direct Subsidiaries								
Hexagon Nutrition (International) Private Limited	13.86	161.75	22.96	42.64	(3.94)	0.03	23.06	42.67
Hexagon Nutrition (Exports) Pvt Ltd	45.64	532.81	53.80	99.89	143.06	(0.93)	53.49	98.96
Nutralytica Research Pvt Ltd.	(0.66)	(7.69)	(2.73)	(5.08)	78.62	(0.51)	(3.02)	(5.59)
Hexagon Nutrition Healthcare Pvt Ltd	0.01	0.09	(0.00)	(0.01)	-	-	(0.00)	(0.01)
Foreign Subsidiaries								
Direct Subsidiaries								
Hexagon Nutrition (PTY) Ltd.	0.14	1.68	(1.54)	(2.85)	-	-	(1.54)	(2.85)
Hexagon Nutrition LLC	0.06	0.65	(0.24)	(0.45)	-	-	(0.25)	(0.45)
Adjustments due to Inter Company Elimination & Other adjustments	(6.95)	(81.13)	(2.52)	(4.68)	(481.84)	3.12	(0.84)	(1.56)
Minority Interest in all subsidiaries	-	-	-	-	-	-	-	-
TOTAL	**100.00**	**1,167.36**	**100.00**	**185.67**	**100.00**	**(0.65)**	**100.00**	**185.02**

31st March 2019	Net Assets (Total Assets) - (Total Liabilities)		Share in Profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Net Assets	As % of Consolidated Profit or Loss	Profit / (Loss)	As % of Consolidated Profit or Loss	Profit / (Loss)	As % of Consolidated Profit or Loss	Profit / (Loss)
Parent								
Hexagon Nutrition Private Limited	51.94	515.48	43.87	65.03	(38.30)	0.04	43.92	65.07
Indian Subsidiaries								
Direct Subsidiaries								
Hexagon Nutrition (International) Private Limited	12.00	119.09	29.64	43.94	(383.67)	0.38	29.92	44.32
Hexagon Nutrition (Exports) Pvt Ltd	43.71	433.85	25.21	37.38	(51.67)	0.05	25.26	37.43
Nutralytica Research Pvt Ltd.	(0.21)	(2.10)	1.00	1.49	573.64	(0.57)	0.62	0.92
Adjustments due to Inter Company Elimination & Other adjustments	(7.44)	(73.85)	0.28	0.41	0.00	(0.00)	0.28	0.41
Minority Interest in all subsidiaries	-	-	-	-	-	-	-	-
TOTAL	**100.00**	**992.47**	**100.00**	**148.25**	**100.00**	**(0.10)**	**100.00**	**148.15**

Note 46 : Disclosure on Bank/Financial institutions compliances

Summary of reconciliation of monthlystatements of current assets filed by the company with Bank are as below:

Particulars	As at Septemeber 30, 2021		As at March 31, 2021	
	Inventories	Trade Receivable	Inventories	Trade Receivable
As per books of accounts	230.29	156.43	187.11	136.65
As per statement of current assets	228.65	154.09	179.58	131.43
Excess/Shortages	1.63	2.34	7.53	5.22

Particulars	As at March 31, 2020		As at March 31, 2019	
	Inventories	Trade Receivable	Inventories	Trade Receivable
As per books of accounts	169.35	135.72	154.62	226.55
As per statement of current assets	173.12	140.78	139.17	220.52
Excess/Shortages	(3.76)	(5.06)	15.44	6.03

ANNEXURE V - Notes to the Restated Consolidated Ind AS Financial Statements
(All amounts in Rupees millions, unless otherwise stated)

Note 47 : Operating Segments

A. Basis for segmentation

The operations of the Company are limited to one segment viz. Nutraceuticals. The products being sold under this segment are of similar nature and comprises of Premix and Brand only.

The Company has identified their Chief Financial Officer (CFO) as their Chief Operating Decision Maker (CODM). The Company's Chief Operating Decision Maker (CODM) reviews the internal management reports prepared based on aggregation of financial information for all entities in the Company (adjusted for intercompany eliminations, adjustments etc.) on a periodic basis, for the purpose of allocation of resources and evaluation of performance. Accordingly, management has identified Premix and Brand segment as the only operating segment for the Company.

Particulars	30-Sep-21	31-Mar-21	31-Mar-20	31-Mar-19
Revenue from the Country of Domicile – India	604.93	967.45	861.35	849.20
Revenue from the Country Philippines (to be shown 10% or more country.)	-	-	-	276.20
Revenue from the Country Uzbekistan (to be shown 10% or more country.)	188.68	-	-	-
Revenue from Other Foreign Countries (balance to be shown in from Export Country)	455.26	1,132.25	1,177.07	1,181.06
Total Revenue	**1,248.87**	**2,099.70**	**2,038.42**	**2,306.46**

Revenue from Major Customers :

Particulars	30-Sep-21	31-Mar-21	31-Mar-20	31-Mar-19
There is 1 (nos.) customer having revenue amounting to 10% or more of Company's total revenue as per the below details:	188.68	-	-	276.20
Other Customers	1,060.19	2,099.70	2,038.42	2,030.26
Total	**1,248.87**	**2,099.70**	**2,038.42**	**2,306.46**

Note 48 : CORPORATE SOCIAL RESPONSIBILITY EXPENSES

Gross amount required to be spent by the Company during the year 2021-22 Rs. 4.32 mn (2020-21 - Rs 2.51 mn; 2019-20 - Rs. 1.66 mn ; 2018-19 -Rs. 1.84 mn)

Amount spent during the year on:

Particulars	30-Sep-21	31-Mar-21	31-Mar-20	31-Mar-19
(i) amount required to be spent by the company during the year, ^	4.32	2.51	1.66	1.84
(ii) amount of expenditure incurred,	1.02	2.15	0.98	0.30
(iii) shortfall at the end of the year,	3.30	0.36	0.68	1.54
(iv) total of previous years shortfall	0.36	0.68	1.54	0.53
(v) reason for shortfall,	-	Due to covid	Due to covid	Change in the management strategy in regards to CSR Activity
(vi) nature of CSR activities	PM Care Fund	PM Care Fund, Donation on world Cancer day etc.	Improving healthcare and promoting healthcare of children	Improving healthcare, promoting healthcare, promotion of healthcare
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	-	-	-	-
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-	-	-

^ Sept 21 total CSR Liability is shown for full year

ANNEXURE V - Notes to the Restated Consolidated Ind AS Financial Statements
(All amounts in Rupees millions, unless otherwise stated)

49 The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	30 September 2021		31 March 2021		31 March 2020		31 March 2019	
	In FCY mn	In Mn	In FCY mn	In Mn	In FCY mn	In Mn	In FCY mn	In Mn
Post Shipment Credit-USD	-	-	-	-	-	-	0.67	46.50
Loan Availed-USD	1.93	144.48	1.08	79.30	1.22	92.94	-	-
Loan Given to Subsidiaries-RAND/ZAR	0.95	4.51	-	-	-	-	-	-
Loan Given to Subsidiaries-USD	1.07	78.92	-	-	-	-	-	-
Interest Payable-USD	-	-	-	-	0.00	0.01	0.00	0.06
Creditors & Other Payables-USD	2.05	153.42	3.33	242.12	4.09	302.77	4.28	296.58
Creditors & Other Payables-EURO	0.00	0.04	0.02	2.09	0.00	0.04	0.20	15.32
Creditors & Other Payables-SGD	-	-	-	-	-	-	0.01	0.69
Advances and Other Receivables-USD	5.65	415.58	4.05	293.33	3.92	329.45	5.58	382.72
Advances and Other Receivables- EURO	0.57	48.31	0.40	34.17	0.31	25.70	0.57	43.78

Derivative financial instruments

the Group holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for this contracts is generally a bank or exchange. This derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

The details in respect of outstanding foreign currency forward are as follows.

Particulars	As at 30-09-2021		As at 31-03-2021		As at 31-03-2020		As at 31-03-2019	
	USD mn	INR mn	USD mn	INR mn	USD mn	INR mn	USD mn	INR mn
Forward contracts	-	-	0.38	27.62	-	-	-	-
			0.38	**27.62**	**-**	**-**	**-**	**-**

Particulars	As at 30-09-2021		As at 31-03-2021		As at 31-03-2020		As at 31-03-2019	
	USD mn	INR mn	USD mn	INR mn	USD mn	INR mn	USD mn	INR mn
Forward contracts	-	-	0.08	6.86	-	-	-	-
			0.08	**6.86**	**-**	**-**	**-**	**-**

50 Scheme of Amalgamation of Nutralytica Research Private Limited (Testing and R&D Company) with Hexagon Nutrition Private Limited - Pursuant to the Scheme of Merger by Absorption (the Scheme) for merger of Nutralytica Research Private Limited (NRPL) with Hexagon Nutrition Private Limited (HNPL) filled with Hon'ble National Company Law Tribunal (NCLT), Mumbai bench, vide application dated 8th December, 2020 is under process. The scheme will be effective w.e.f 01st April 2020. To enable and optimise the synergies of the two companies. The amalgamation of both these entities will enable the merged entity to achieve size, scale, integration and greater financial strength and flexibility while reducing administrative costs. The merged entity is likely to achieve higher long term financial returns then would be achieved by the companies individually.

51 From FY 20-21 one subsidiaries (HNEPL) has elected to exercise the option permitted under section 115BAA of the Income Tax Act 1961, as introduced by the Taxation Laws (Amendment) Ordinance 2019 and recognised the tax provision for year ended on 31st March 2021 on the basis of rates prescribed in that section. The full impact of Remeasurement of deferred tax assets/liabilities on account of this change was recognised in the statement of Profit and Loss.

52 One Subsidiaries (HNIPL) availed benefit under Section 10AA of Income Tax Act, 1961. The company fall under 7th year of benefit as on 31st March 2021.

53 Impact due to Covid-19 - the Group has taken into account the possible impacts of Covid-19 in preparation of the consolidated financial statements, including but not limited to its assessment of liquidity and going concern assumption, impairment triggers for non-current assets, recoverable values of its financial and non-financial assets, impact on revenues and on cost budgets in respect of fixed price contracts, impact on measurement of deferred tax assets / liabilities, impact on leases and impact on effectiveness of its hedging relationships. the Group has considered available sources of information, both internal and external, up to the date of approval of the consolidated financial statements and expects to recover the carrying amount of its assets. The impact of Covid-19 on the consolidated financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

ANNEXURE V - Notes to the Restated Consolidated Ind AS Financial Statements

Note 54 : Accounting Ratios:

Particulars		YTD SEPT 2021	Mar-21	Mar-21	Mar-19	% change from 31 March 2021 to Sept 21	% change from 31 March 2020 to 31 March 2021	% change from 31 March 2019 to 31 March 2020
a) Current Ratio	Current Assets/Current Liabilities	2.61	2.48	2.14	1.76	4.91%	16.13%	21.32%
(b) Debt-Equity Ratio	Debt/ Equity	0.16	0.15	0.29	0.30	8.72%	-49.07%	-5.42%
(c) Debt Service Coverage Ratio	EBIT/Debt	0.91	1.66	0.88	0.77	NA*	88.69%	15.24%
(d) Return on Equity Ratio	NPAT/ Equity Share Capital	65%	98%	80%	64%	NA*	23.13%	25.10%
(e) Inventory turnover ratio,	COGS/ Average Inventory	0.95	1.93	2.25	2.61	NA*	-13.87%	-13.96%
(f) Trade Receivables turnover ratio	Sales/ Avg Receivables	2.54	5.13	4.15	4.32	NA*	23.56%	-3.82%
(g) Trade payables turnover ratio	Purchases/ Avg Payables	2.08	3.31	3.05	2.64	NA*	8.54%	15.67%
(h) Net Working capital turnover ratio	Sales/ Working Capital	1.21	2.23	2.61	4.11	NA*	-14.60%	-36.60%
(i) Net profit ratio	NPAT/ Sales	0.12	0.11	0.09	0.06	NA*	19.53%	41.71%
(j) Return on Capital employed,	NPAT/ Capital Employed	9.14%	16.07%	14.53%	14.69%	NA*	10.59%	-1.05%
(k) Return on investment	NPAT/Cost Of Investment	7.10%	11.91%	10.81%	9.93%	NA*	10.18%	8.90%

* The numbers for six months period ended 30 Sept 2021 are not comparable to that of the year ended 31 March 2021 and hence not explained.

ANNEXURE V - Notes to the Restated Consolidated Ind AS Financial Statements
(All amounts in Rupees millions, unless otherwise stated)

Particulars	Numerator	Denominator	YTD SEPT 2021		Mar-21		Mar-20	
			Numerator	Denominator	Numerator	Denominator	Numerator	Denominator
a) Current Ratio	Current Assets	Current Liabilities	1673.13	642.26	1578.67	635.74	1468.53	686.77
(b) Debt-Equity Ratio	Debt (Borrowing)	Total Equity	244.33	1,530.60	202.65	1,380.26	336.50	1,167.36
(c) Debt Service Coverage Ratio	Profit for the Period/years+ Finance Cost + Depreciation	Debt Liabilities	223.02	244.33	337.23	202.65	296.76	336.50
(d) Return on Equity Ratio	Profit for the Period /Year	Average Total Equity	152.09	232.58	228.61	232.58	185.67	232.58
(e) Inventory turnover ratio,	COGS	Average Inventory	595.31	625.12	1,102.78	569.93	1,069.30	475.96
(f) Trade Receivables turnover ratio	sales	Avg Receivables	1,248.87	492.34	2099.70	409.29	2038.42	490.94
(g) Trade payables turnover ratio	Purchases	Avg Payables	667.48	320.26	1,120.91	338.64	1,179.43	386.75
(h) Net Working capital turnover ratio	Revenue from Operation	Average Working Capital = Current Assets - Current Liability	1,248.87	1,030.87	2,099.70	942.93	2,038.42	781.76
(i) Net profit ratio	Profit for the period/year	Revenue from operations	152.09	1,248.87	228.61	2,099.70	185.67	2,038.42
(j) Return on Capital employed,	Profit Before Tax + Finance cost	Equity + Debt Borrowings	162.18	1,774.93	254.44	1,582.91	218.58	1,503.86
(k) Return on investment	Profit Before Tax + Finance cost	Total Assets	162.18	2,284.19	254.44	2,135.62	218.58	2,021.36

Reason for change more than 25%	% change from 31 March 2021 to 30 Sept 21	% change from 31 March 2020 to 31 March 2021	% change from 31 March 2019 to 31 March 2020
a) Current Ratio	Change in ratio is not more than 25%	Change in ratio is not more than 25%	Change in ratio is not more than 25%
(b) Debt-Equity Ratio	Change in ratio is not more than 25%	change is positive, Due to increase in profit and reduction in debt	Change in ratio is not more than 25%
(c) Debt Service Coverage Ratio	-	change is positive, Due to increase in profit and reduction in debt	Change in ratio is not more than 25%
(d) Return on Equity Ratio	NA*	Change in ratio is not more than 25%	Change in ratio is not more than 25%
(e) Inventory turnover ratio,	NA*	Change in ratio is not more than 25%	Change in ratio is not more than 25%
(f) Trade Receivables turnover ratio	NA*	Change in ratio is not more than 25%	Change in ratio is not more than 25%
(g) Trade payables turnover ratio	NA*	Change in ratio is not more than 25%	Change in ratio is not more than 25%
(h) Net capital turnover ratio,	NA*	Change in ratio is not more than 25%	Due to increase in Invenotary
(i) Net profit ratio	NA*	Change in ratio is not more than 25%	Due to lower sales revenue NP ratio reduced
(j) Return on Capital employed,	NA*	Change in ratio is not more than 25%	Change in ratio is not more than 25%
(k) Return on investment	NA*	Change in ratio is not more than 25%	Change in ratio is not more than 25%

* The numbers for six months period ended 30 Sept 2021 are not comparable to that of the year ended 31 March 2021 and hence not explained.

Note 55: Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

Significant accounting policies	1- 2.1
Notes to the consolidated Ind AS financial statements	2.2 - 55

As per our report of even date

For Bhuwania and Agrawal Associates
Chartered Accountants
Firm's Registration Number : 101483W

N. K. Agrawal
(Partner)
Membership No. 034659
UDIN : 21034659AAAAEK9910

For and on behalf of the Board of Directors

Arun Kelkar	**Vikram Kelkar**	**Dr. Nikhil Kelkar**
(Chairman)	**(Managing Director)**	**(Jt. Managing Director)**
DIN-00171276	**DIN-02302364**	**DIN-02302369**

Guman mal Jain	**Poonam Sharma**
(Chief Financial Officer)	**(Company Secretary)**
	ACS 51338

Place : Mumbai
Date : 7th December 2021

HEXAGON NUTRITION LIMITED (Formerly known as HEXAGON NUTRITION PRIVATE LIMITED)
CIN : U24110MH1993PLC072189

ANNEXURE VI - RECONCILIATION OF EQUITY
(All amounts in Rupees millions, unless otherwise stated)

Reconciliation of Equity as at 31 March 2019, 31 March 2020, 31 March 2021 and 30 September 2021 between previous GAAP and IND AS

Particulars	**As at 30 September 2021**	**As at 31 March 2021**	**As at 31 March 2020**	**As at 31 March 2019**
Equity as per Previous GAAP	**1,542.83**	**1,391.53**	**1,209.71**	**1,004.93**
Add/(Less) :				
Fair value of mutual fund throught profit & loss	-	3.11	0.68	0.19
Amortisation of borrowing cost	0.72	0.88	1.18	1.46
Amortisation of security deposits	(0.02)	(0.02)	(0.02)	(0.02)
Foreign exchange gain / loss on forward contract	-	-	(0.61)	-
Reversal of Amortisation of goodwill	-	-	-	(0.57)
Dividend on equity shares	-	-	-	14.76
Prior Period Items	0.02	(0.22)	(0.43)	(0.76)
On adoption of Ind AS 116	(5.49)	(5.18)	(4.55)	(3.77)
Provision for Expected Credit Loss	(9.80)	(12.76)	(22.97)	(33.31)
Deferred tax impact on above adjustments	2.34	2.92	(15.63)	9.56
Equity as per Ind AS	**1,530.60**	**1,380.26**	**1,167.36**	**992.47**

Significant accounting policies 1- 2.1
Notes to the consolidated Ind AS financial statements 2.2 - 55

As per our report of even date

For Bhuwania and Agrawal Associates
Chartered Accountants
Firm's Registration Number : 101483W

N. K. Agrawal
(Partner)
Membership No. 034659
UDIN : 21034659AAAAEK9910

For and on behalf of the Board of Directors

Arun Kelkar
(Chairman)
DIN-00171276

Vikram Kelkar
(Managing Director)
DIN-02302364

Dr. Nikhil Kelkar
(Jt. Managing Director)
DIN-02302369

Guman mal Jain
(Chief Financial Officer)

Poonam Sharma
(Company Secretary)
ACS 51338

Place : Mumbai
Date : 7th December 2021

OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Sr No	Particulars	September 30, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
1	Basic EPS (in ₹)	1.38	2.07	1.68	1.34
2	Diluted EPS (in ₹)	1.24	1.86	1.51	1.21
3	Return on net worth (in %)	9.94%	16.56%	15.91%	14.94%
4	Net asset value per Equity Share (in ₹)	12.47	11.24	9.51	8.07
5	EBITDA (in ₹ million)	233.86	343.99	296.60	257.37

Notes

1. Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period
2. Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year/ period.
3. Basic and diluted earnings per share are computed in accordance with Indian Accounting Standard 33 ‘Earnings per Share’, notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended) and post conversion of CCPS
4. Return on Net Worth (%) = Net Profit after tax, as restated for the end of the year/ period divided by Net worth as at the end of the year/ period.
5. Net Asset Value per share = Net Worth at the end of the year/period divided by total number of equity shares outstanding at the end of year/ period. Net Asset Value per Equity Share is calculated post conversion of CCPS
6. Earnings before interest, taxes, depreciation and amortization (“**EBITDA**”) =Profit Before tax +Depreciation and Amortisation Expense +Finance Cost-Other Income.

   In accordance with the SEBI ICDR Regulations the audited financial statements of the Company and our Material Subsidiaries for the financial year ended March 31, 2021, March 31, 2020 and March 31, 2019 (collectively, the “**Audited Financial Statements**”) are available on our website at www.hexagonnutrition.com. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus (ii) Red Herring Prospectus; or (iii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements should not be considered as part of information that any investor should consider for subscription to or purchase of any securities of our Company and should not be relied upon or used as a basis for any investment decision. None of our Company or any of its advisors, nor BRLMs or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at September 30, 2021, on the basis of our Restated Consolidated Financial Statements, and as adjusted for the proposed Offer. This table should be read in conjunction with "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Financial Statements*" and "*Risk Factors*" beginning on pages 310, 223 and 29, respectively.

(in ₹ million, except ratios)

Particulars	**Pre-Offer as at September 30, 2021**	**Adjusted for the post-Offer**
Borrowings		
Current Borrowings	157.57	[●]
Non-current borrowings (excluding lease liabilities) **(A)**	86.76	[●]
Total Borrowings	244.33	[●]
Equity		
Equity Share Capital	110.50	[●]
Other Equity	1,420.10	[●]
Total Equity (B)	1,530.60	[●]
Ratio: Non-Current borrowings / Total equity (A/B)	0.06	[●]
Ratio:Total borrowing/Total equity	0.16	[●]

FINANCIAL INDEBTEDNESS

Our Company avails loans and facilities in the ordinary course of its business for meeting our working capital, capital expenditure and other business requirements. For details of the borrowing powers of our Board, see "*Our Management – Borrowing Powers*" on page 202.

Our Company has obtained the necessary consents required under the relevant financing documentation for undertaking activities in relation to the Offer, including dilution of the current shareholding of the Promoters and members of the Promoter Group, expansion of business of the Company, effecting changes in the Company's management including Key Managerial Personnel, ownership capital structure, shareholding pattern, constitutional documents and Board's composition.

The details of the indebtedness of our Company and Material Subsidiaries as on November 30, 2021 is provided below:

(in ₹ million unless otherwise stated)

Particulars	As of November 30, 2021 payment due by period (₹ in million)
Long Term Borrowings	
Term Loans (Secured)	80.70
Term Loans (unsecured)	-
Total long term borrowings (including current maturities) (A)	**80.70**
Short Term Borrowings	
Secured	317.83
Unsecured	-
Total Short Term Borrowings (B)	**317.83**
Total Borrowings (A+B)	**398.53**

For further details of our outstanding borrowings as on November 30, 2021, see "*Financial Statements*" on page 223.

Principle terms of the borrowings availed by us

The details provided below are indicative and there may be additional terms, conditions and requirements under the various financial documentation executed by us in relation to indebtedness of our Company and Material Subsidiaries.

1. ***Interest:*** In terms of facilities availed by us, the interest rate is typically the base rate of a specified lender and spread per annum. The spreads are different for different facilities. In terms of the borrowings availed by us, the interest rate is typically dependent on the guidelines of RBI and lenders and ranges from 8.05% per annum to 9.35% per annum either on a floating rate or linked to base rate, as specified by respective lenders.

2. ***Validity/Tenor:*** The working capital facilities availed by us are available for a period less than 365 days, subject to periodic review by the relevant lender. The tenor of the term loans availed by us are typically for a tenor of 84 months.

3. ***Security:*** Under our financing arrangements for secured borrowings, we are typically required to create security by way of, among others, hypothecation of plant and machinery, stock and book debts and other movable, fixed assets and current assets of our Company both present and future, equitable mortgage on immovable assets of our Company, against which the relevant loan facility has been availed, deposits in the name of our Company, corporate guarantees and personal guarantees of some of our Promoters or Directors. Further, there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

4. ***Default Interest***: The terms of certain financing facilities availed by our Company prescribe penalties for non-compliance of certain obligations by our Company. These include, inter alia, overdues/ delays/ default in payment of monies. Further, the default interest payable on the facilities availed by us typically ranges from 2% per month to 4% per annum.

5. ***Prepayment:*** The terms of facilities availed by us typically have prepayment provisions which allow for pre-payment of the outstanding loan amount on giving notice to the concerned lender, subject to such prepayment penalties as laid down in the facility agreements. The prepayment premium for the facilities availed by us, where specified, is typically 2.00% to 2.50% of the sanctioned amount or principal outstanding amount.

6. ***Re-payment:*** The working capital facilities are typically repayable on demand or on their respective due dates within the maximum tenure. The term loans are typically repayable in structured monthly instalments.

7. ***Events of Default:*** Borrowing arrangements entered into by us contain standard events of default, including:

   a. Failure by our Company to repay outstanding balance when due or when called upon by the lender.
   b. Failure and / or breach on our Company's part on any of the terms and conditions under the facility agreements.
   c. Deterioration of security which causes the security to become unsatisfactory.
   d. Event of any threat of legal proceeding against our Company/its assets/the security.
   e. Failure or intentional omission on part of our Company to get the charge created by way of security registered.
   f. Winding up, liquidation, amalgamation, merger or reconstruction of our Company.
   g. An event which is likely to prejudice, jeopardize or impair the security and/or the capacity of our Company to repay the loan.
   h. Change in constitution, management or existing ownership or control of the Company including by reason of liquidation, amalgamation, merger, reconstruction etc.

8. ***Restrictive Covenants:*** Certain borrowing arrangements entered into by us contain restrictive covenants which requires us to take prior written consent of the respective lender before undertaking certain activities, including:
   a. Any scheme of merger, amalgamation, restructuring, compromise or dissolution.
   b. Change in capital structure, ownership, management, control or beneficial ownership of our Company.
   c. Change in our Company's Memorandum or Articles of Association and composition and constitution.
   d. Sell, transfer, charge, lease, permit or exist any third party interest or security interest over any of the assets including the security asset, of our Company.
   e. Change in equity, management and operating structure of our Company.
   f. Guarantee of any kind being issued by our Company and its affiliates.
   g. Any personal guarantee being issued by the promoters and promoter-directors of our Company.
   h. Declaration of dividend by our Company.
   i. Fresh charge being created over the assets of our Company.
   j. Undertaking any new project or expansion scheme, unless the expenditure on such project is financed out of proceeds from investments or from long term funds received for financing such new projects or expansion.
   k. Any material adverse change in conditions/operations of business/management set up/capital structure and submit remedial steps to be taken.

The details of events of default and restrictive covenants provided above are indicative and there may be additional terms that may amount to an event of default and/ or constitute a restrictive covenant under the various borrowing arrangements entered into by us.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey our management's perspective on our financial condition and results of our operations. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year or a Fiscal are to the twelve months ended March 31 of that year.

*You should read the following discussion in conjunction with our Restated Financial Statements for six months period ended September 30, 2021 and for the financial years ended March 31, 2021, 2020 and 2019, including the related notes, schedules and annexures. Our Restated Financial Statements have been prepared under Indian Accounting Standards ("**Ind AS**"), the Companies Act, the SEBI ICDR Regulations and "Guidance Note on Reports in Company Prospectus (Revised 2019)" issued by the ICAI. Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on our Restated Financial Statements for six months period ended September 30, 2021 and for the years ended March 31, 2021, 2020 and 2019 and included in this Draft Red Herring Prospectus. For further information, see "Financial Statements" on page 223. Our financial year ends on March 31, therefore, all references to a particular Fiscal are to the 12-month period ended March 31 of that year.*

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 19 for a discussion of the risks and uncertainties related to such statements and also "Risk Factors" on page 29 for a discussion of certain factors that may affect our business, financial condition and results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements.

In this section, unless the context otherwise requires, a reference to the "Company" is a reference to Hexagon Nutrition Limited on a standalone basis, while any reference to "we", "us" or "our" refers to Hexagon Nutrition Limited and its Subsidiaries, as applicable in the relevant fiscal period, on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the report "Strategic Market Assessment of nutrition and food fortification 2021-2026" dated December 2, 2021 prepared by GIRACT (the "**GIRACT Report**") and "Industry Research Report on Food Premix Sector in India" dated December 2021 prepared by CARE Advisory Research and Training Limited ("**Care Report**") commissioned by and paid for by our Company in connection with the Offer. For further information, see "Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation" on page 15.*

OVERVIEW

We are a differentiated and research oriented pure-play nutrition company. We are the only holistic nutrition player that offers products across clinical products, micronutrient premixes and therapeutic products. *(Source: Giract Report)* We focus on holistic nutrition products encompassing a wide range of nutritional and nutrition enhancing products. Our product portfolio addresses a broad spectrum of aspects such as fortification of foods, therapeutic nutrition, clinical nutrition and alleviation of malnutrition. We are a fully integrated company engaged, right from product development to marketing including research and development and manufacturing, with a focus on quality. Having started our business in 1993 as a micro-nutrient formulations player, we have moved up the value chain to develop our brands "PENTASURE", "OBESIGO" and "PEDIAGOLD" which are leading names in the health, wellness, and clinical nutrition space *(Source: Giract Report)*. We have presence across India and our products have been exported to around 70 countries.

We classify our products portfolio mainly into the 3 following segments:

1. ***Branded nutrition products/ clinical nutrition products (B2C segment):*** We offer branded wellness and clinical nutrition products encompassing daily nutritional requirement across demographies from pediatric to geriatric nutrition. Additionally, the products in this segment also address nutritional deficiency for chronic as well as non-chronic ailments, including, nutrition support for faster recovery for the hospitalised and critically ill patients. Our PENTASURE brand caters to adult wellness and clinical nutrition, OBESIGO brand caters to weight management and PEDIAGOLD brand caters to pediatric nutrition management. We differentiate our products from our competitors by offering unique whey-based formulations and disease-

specific nutritional products. *(Source: Giract Report)* Our branded products are distributed across India through offline and online channels and are exported to around 20 countries.

2. ***Premix formulations (B2B2C segment):*** We are the largest premix player in India and one of the top ten players globally that offer customized micronutrient formulation in the form of vitamin and mineral premixes that are supplied to Indian and multi-national FMCG players for fortification of consumer products including malted health beverages, biscuits, dairy products, spreads, flour and edible oils. *(Source: Giract Report)* Our premixes are supplied to marquee clients such as Coca Cola India Private Limited, Kaira Dist Co-op Milk Producer Union ("**Amul**"), Dabur India Limited, Marico Limited, Veeba Food Services Private Limited, Zywie Ventures Private Limited ("**Oziva**"), United Biscuits Private Limited, Dodla Dairy Limited, Dukes Consumer Care Limited, LT Foods Limited, Gemini Edibles & Fats India Limited, Govind Milk & Milk Products Private Limited and global customers like The Global Alliance for Improved Nutrition ("**GAIN**"), Nutriset SAS and DPO International Sdn Bhd amongst others. We develop our premixes in conjunction with our clients to preserve the organoleptic properties of the products such as taste and texture while adding to its nutritional value.

3. ***Ready to use foods ("RUFs") and Micro Nutrient Powder ("MNPs") (ESG segment):*** We offer therapeutic foods in two forms:

   a. ***RUFs***: We offer nutrient dense RUFs in paste form which contains added minerals and vitamins to treat malnutrition in children and supplement nutritional requirements of pregnant and lactating women. Our ready to use therapeutic food ("**RUTF**") products are used for treatment of severe acute malnutrition and ready to use supplementary food ("**RUSF**") products are used for treatment of moderate acute malnutrition. Our RUF products are globally supplied through long term arrangements to UNICEF and Rwanda Medical Supply amongst others.

   b. ***MNPs:*** We offer MNPs to international organisations including UNICEF and government bodies such as Rwanda Medical Supply amongst others who endeavor to create a social impact by distributing these products for home food fortification. We are one of the largest licensed suppliers under UN programme for MNPs. *(Source: Giract Report)*

We believe that R&D is critical in maintaining our competitive edge. In order to keep pace with the technological developments in the nutrition industry and to continually enhance our competitive advantages, we place significant emphasis on R&D. Our R&D team comprises of 11 professionally qualified and experienced members and strives to identify and develop new applications, combinations and dosages of active nutrients with beneficial health effects in order to increase our product portfolio. Our R&D team also supports our production department, quality assurance department and regulatory affair department to standardize, control the critical process parameters to meet the highest standards of quality, safety and purity.

We have a pan India omnichannel distribution capabilities supported by our presence across retail pharmacies, hospital networks, prominent e-commerce players and our own websites i.e. www.pentasurenutrition.com and www.obesigo.com which caters to different consumer demands. During the six months ended September 30, 2021, our Company targeted reaching out to around 11,000 healthcare professionals across India through our over 100 member sales force to recommend our brands. Over the years our distribution network has spread to around 25 regional distributors in Latin America, South East Asia, Africa and the Middle East. We have 3 international offices in South Africa, Uzbekistan and Hong Kong. We have exported our products to around 70 countries in the in the immediately three preceding financials years and in the six months ended September 30, 2021, such as South Africa, Malaysia, Ethiopia, France, French Polynesia, Ghana, Indonesia, Kenya, Madagascar, Mozambique, Papua New Guinea, Nigeria, Philippines, Qatar, Russia, UAE, Angola, Mauritius and Brazil. We engage in various marketing initiatives to build brand awareness and brand recall for our products and to grow our market share. In addition to leveraging and engaging our distribution network for marketing initiatives, we also undertake direct promotional initiatives like advertising our products through digital marketing.

We have three manufacturing facilities, in Nasik (Maharashtra), Chennai (Tamil Nadu) and Thoothukudi (Tamil Nadu). These facilities are strategically located offering close proximity to the ports and duty-free imports across Chennai and Thoothukudi which are located in SEZ. Our integrated and well-defined manufacturing processes help us to consistently maintain the quality of the products. We adhere to stringent quality and food safety criteria throughout the production chain from the procurement of raw materials to the finished product. Our manufacturing facilities have received various certifications and accreditations, including the FSSC 22000, Good Manufacturing Practice certification, ISO 9001:2015 Certification and Halal Certification, from various local and international accreditation agencies validating our process and quality consistency.

The demand for functional nutrition is expected to witness significant growth driven in part, by younger professionals with intense lifestyles. Further, the functional beverages sector is driven by young population of dual income household, with a rising income, and growing awareness of healthy eating. India's health and wellness nutrition market was worth USD 10.5 billion in CY 2020 and is estimated to grow at a CAGR of 11.9% till CY 2025. Staple and processed foods are being increasingly industrially produced in many developing economies allowing for standardised and fortified healthy nutritious food. Covid-19 has exacerbated nutritional deficiencies in low- and middle-income countries among vulnerable demographies, increasing the need for fortified and therapeutic food. The Indian food fortification premix market was valued at USD 80.0 million in CY 2020 and is expected to reach USD 149.6 million in CY 2026. The global premix industry grew from USD 4.4 billion in CY 2018 to around USD 5 billion in CY2020 and is expected to grow at a CAGR of 4.4% from CY2021 till CY2026 *(Source: Giract Report)*.

Our Company has also been awarded a number of industry awards including Best Brand 2021 by The Economic Times, 2021, Award of Excellence for Exemplary Work in Food Fortification at Elets National Nutrition Convention in 2021, Best Clinical Nutrition Brand 2019 – ASSOCHAM, Best Healthcare Brand by The Economic Times in 2016 andCertificate of Excellence as clinical nutrition brand of the year for Pentasure at Nutraceutical and Health Awards in 2016. Our Our wholly owned subsidiaries HNIPL and HNEPL have received a number of awards including, Highest Employment in Food and Agro product & misc category Ist Place for 2017-2018, Highest Export in Food & Agro Products & Misc Category –1st Place for 2017-2018 and 1st place Highest Exports in Food and Agro Products & Misc category for 2016-2017 and 2017-2018 For further details with respect to awards, recognitions and accreditations, please see "*History and Certain Corporate Matters*" on page 176.

Our Company was founded by Arun Purushottam Kelkar and Subhash Purushottam Kelkar who have over 4 decades and 3 decades, respectively of professional and entrepreneurial experience. Before setting up our Company 28 years ago, they worked with companies like Siemens India Limited, Castrol India Limited, Glaxo Laboratories (India) Limited, Ethnor Limited and Super Pharma Private Limited. Vikram Arun Kelkar and Dr. Nikhil Arun Kelkar subsequently joined our Company and have over 17 years and 13 years of industry experience, respectively. Further, Vikram Arun Kelkar and Dr. Nikhil Arun Kelkar are also the Managing Director and Joint Managing Director, respectively, of our Company, who in addition to their overall supervision of our business operations and also oversee relationships with our key institutional customers, distributors and suppliers. The experience of our senior management team has significantly contributed to our success and growth. Our Key Management Personnel have experience and skills related to business operation, risk management, finance, accounts. For further details with respect to our Directors and senior management personnel, please see "*Our Management*" on page 193.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our business, results of operations and financial condition are affected by a number of factors, some of which are beyond our control. This section sets out certain key factors that we believe have affected our business, results of operations and financial condition in the past or which we expect will affect our business, results of operations or financial condition in the future. For a detailed discussion of certain factors that may adversely affect our business, results of operations and financial condition, see "*Risk Factors*" beginning on page 29.

Cost and availability of raw materials.

We are focused on holistic nutritional products like branded nutrition products (B2C), premix formulation (B2B2C), ready to use foods and micro nutrient powder with in-house manufacturing and research and development. Some of the raw materials we require for production of our products are vitamins, whey protein, spray dried corn fat and groundnut base powder, protein concentrate, sunflower oil, maize starch, lactose monohydrate, cocoa powder. During the six months period ended September 30, 2021 and Fiscals 2021, 2020 and 2019, the cost of materials consumed, purchase of stock-in-trade and changes in inventories of finished goods and stock-in-progress aggregated to ₹ 643.82 million, ₹ 1,136.38 million, ₹ 1,084.13 million and ₹ 1,328.12 million, respectively and accounted for 51.55 %, 54.12%, 53.18% and 57.58% of our total income, respectively.

The availability and price of raw materials is subject to a number of factors beyond our control including overall climatic and economic conditions, production levels, supply demand and competition for such materials, production and transportation cost, taxes and duties, international relations between India and nations from which we source raw materials, labour costs, labour unrest and natural disasters. Interruption, or a prolonged shortage, in the supply of raw materials may result in our inability to operate our production facilities at optimal or required capacities, leading to a decline in production and sales. In addition, while competition for procuring raw material may result in an increase in raw material prices, our ability to pass on such increases in overall operational costs may be limited. Furthermore, any increase in the cost of raw materials which results in an increase in prices of our products, may reduce demand for our products and thereby affect our margins and profitability. Additionally, considering the shelf life of some of our raw materials, we are required to procure and warehouse such raw materials. However, if such warehoused raw materials get spoilt, and if we are unable to procure the required quantities in in time, it will affect production levels, consequently impacting our results of operations and financial conditions.

Product mix

Our revenue and profit margins vary depending on our product mix. Our product offerings include a wide variety of products categorised under our 3 (three) segments i.e., branded nutrition products, premix formulations and ESG segment. The success of our business depends upon our ability to identify emerging market trends and offer differentiated product offerings to our customers. If we are unable to correctly identify market trends or if we are unable to increase production to the required levels, we may lose ground to our competitors, which could adversely affect our financial condition. India's health and wellness nutrition market was worth USD 10.5 billion in CY 2020 growing at a CAGR of 11.9% till CY 2025 *(Source: Giract Report)*. As we continue to increase our focus on growing our business in India and globally, we expect the relative proportion of revenue contribution from sales of our high margin products to increase in the future. While we believe that we are well placed to capitalize on the growing consumer demand for health and wellness nutrition, if we are unable to maintain and/or expand our premium product range, in keeping with market trends and demands, we may lose market share to our competitors and that may adversely impact our results of operations.

Operating costs and efficiencies

Given the nature of our business, operating costs and efficiencies are critical to maintaining our competitiveness and profitability. Our profitability is partially dependent on our ability to spread fixed production costs over higher production volumes. We continually undertake efforts to reduce our costs, such as negotiating volume discounts, outsourcing non-critical processes like blending of lower margin premix formulations and rationalising our labour. Our ability to reduce our operating costs in line with customer demand is subject to risks and uncertainties, as our costs depend, in part, on external factors beyond our control. We also incur certain costs in order to ensure that the products that we supply to our customers are of high quality. Such costs relate to matters such as capital expenditure, testing and validation, systems deployment and rejection and re-working of products. Quality control is critical to our operations and a failure to adhere and maintain, our stringent quality standards, could result in us incurring significant liability.

Capacity Utilization

Our capacity utilization is dependent upon our ability to optimally manage our manufacturing facilities, which are subject to various operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents, severe weather conditions and natural disasters. We have been working towards optimum capacity utilization and increasing operational efficiencies for our business. Further, we continuously strive to attain cost efficiency, enhanced productivity and product excellence through technological innovation and optimum deployment of resources. Strengthening internal processes, work flow and optimizing manpower utilization through multi-skills training are the key focus areas for us. For instance, our installed production capacity per month in two shift operation for premix including dry and oil premix, clinical nutrition and RUTF/MNP are 736.90 MT, 110 MT and 119.70 MT, respectively.
Our capacity utilisation in the six months ended September 30, 2021, and financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 is set out below.

Financial Year	Description	Premix including dry and oil premix	Clinical nutrition	RUTF/MNP
Six months period ended September 30, 2021	Capacity Utilisation (%)	26.40%	33.70%	29.00%
Fiscal 2021	Capacity Utilisation (%)	32.40%	29.10%	37.40%

Fiscal 2020	Capacity Utilisation (%)	53.50%	35.00%	1.80%
Fiscal 2019	Capacity Utilisation (%)	53.90%	32.50%	7.70%

(Source: Certifcate dated December 15, 2021 by C Ravi Shankar, Chartered Engineer)

Any significant malfunction or breakdown of our machinery may entail repair and maintenance costs and cause delays in our operations. If we are unable to repair malfunctioning machinery in a timely manner or at all, our facilities may not be able to operate at desired utilization levels or our operations may be suspended until we procure machinery to replace the same. Moreover, 19 employees are affiliated with trade unions and any disruptions in work due to disputes with our work force could have a significant impact on our results of operation and financial condition.

Competition

International and domestic competition may adversely affect our business and results of operations. Some of our competitors may have greater financial, technical and managerial resources, greater access to raw materials and customers, better know-how and superior manufacturing facilities than we have.

We are a pure-play research-oriented nutrition company and the only company that offers products across fortification, therapeutic and clinical nutrition products under one roof. We do not have a direct comparable, however, we do face competition from various domestic and multi-national companies across our Branded Nutrition Products (B2C) and Premix Formulations (B2B2C). Our competition is summarized below:

Direct Competition	-
Branded Nutrition Products (B2C)	Abbott Healthcare Private Limited, Nestle Health Science, Zydus Wellness, Fresenius Kabi
Premix Formulation (B2B2C)	DSM N.V., Glanbia Nutritionals Inc., Prinova Europe, Piramal Enterprises, P D Navkar Bio-Chem Pvt. Ltd

(Source: Giract Report).

SIGNIFICANT ACCOUNTING POLICIES

Please refer to our Restated Consolidated Financial Statements included in "Financial Statements" on page 223.

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Income

Our total revenue comprises of revenue from operations and other income.

Revenue from operations

Revenue from operations of our includes sale of a wide variety of products under our 3 segments i.e., branded nutrition products, premix formulations, and RUFs and MNPs. Our revenue is generated through domestic sales in India and exports.

Other Income

Other income primarily comprises of interest income, applicable net gain/ (loss) on foreign exchange, export benefits and other incentives, dividend received on mutual funds, profit on sale of investments, fair value of investments through P&L, industrial training fees and miscellaneous income which comprises of insurance claim received, interest on EB deposit and sundry balance written back.

Expenses

Our expenses primarily comprise of cost of material consumed, purchase of stock-in-trade, changes in inventories, of finished goods and stock-in-process, employee benefit expenses, finance costs, depreciation and amortisation expense and other expenses.

Cost of Materials Consumed

Cost of materials consumed comprises of difference in closing balance *vis-a-vis* opening balance of raw material and packing costs

Purchase of stock-in-trade

The purchase of stock-in-trade comprises of purchase of primarily comprises the bulk premix without any processing.

Changes in inventories of finished goods and stock-in-process

Changes in inventories of finished goods, stock-in-process comprises of difference in closing balance *vis-a-vis* opening balance of finished goods and stock-in-trade.

Employee benefit expense

Employee benefit expenses comprises of salaries, wages and allowances, contribution towards provident fund and ESIC, gratuity and leave encashment, employee stock option scheme, employee welfare, training and other amenities, employees food and beverage expenses, COVID treatment expenses.

Finance costs

Finance cost consists of term loan, working capital, lease obligation and other financial charges such as LC opening charges, foreign bank collection charges on customer collection, Working capital renewal charges etc.

Depreciation and Amortization Expense

Depreciation and amortization expense consists of depreciation on property, plant and equipment, property, plant and equipment at R&D facilities. Further it also consists of amortisation of right to use assets and intangible assets.

Other Expenses

Our other expenses primarily comprises (A) manufacturing expenses which includes stores and spares consumed, power and fuel, repair to building, repairs to plant and machinery, repairs and maintenance – other, security charges, labour charges, testing analysis charges, (B) administrative and general overheads which include travelling expenses, legal and professional expenses, vehicle expenses and other general administrative overheads and (C) selling and distribution overhead which include freight and forwarding expenses and sales promotion expenses, brokerage and commission and other sales overheads.

Tax expenses

Tax expense comprises of current tax, deferred tax and tax for earlier years. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability is recognized based on the difference between taxable profit and book profit due to the effect of timing differences.

RESULT OF OPERATIONS

The following table sets forth certain information with respect to our consolidated results of operations for the periods indicated:

(₹ in million)

Particulars	For the six months period ended September 30, 2021		Fiscal 2021		Fiscal 2020		Fiscal 2019	
	Amount	Percentage of total income (%)	Amount	Percentage of total income (%)	Amount	Percentage of total income (%)	Amount	Percentage of total income (%)
INCOME								
Revenue from Operations	1,248.87	98.40	2,099.70	97.46	2,038.42	96.69	2,306.46	97.77
Other Income	20.35	1.60	54.65	2.54	69.84	3.31	52.56	2.23
Total Income	**1,269.22**	**100.00**	**2,154.35**	**100.00**	**2,108.26**	**100.00**	**2,359.02**	**100.00**
Cost of material consumed	595.31	46.90	1,102.78	51.19	1,069.30	50.72	1,271.98	53.92
Purchase of stock-in-trade	32.68	2.57	69.52	3.23	38.57	1.83	7.30	0.31
Changes in inventories of finished goods and stock-in-process	15.83	1.25	-35.92	-1.67	-23.74	-1.13	48.84	2.07
Employee benefit expenses	169.26	13.34	307.98	14.30	316.13	14.99	311.84	13.22
Finance costs	10.10	0.80	25.83	1.20	32.91	1.56	41.97	1.78
Depreciation and amortisation expenses	31.19	2.46	61.41	2.85	69.68	3.31	78.46	3.33
Other expenses	212.77	16.76	330.32	15.33	361.75	17.16	401.14	17.00
Total Expenses	**1,067.14**	**84.08**	**1,861.92**	**86.43**	**1,864.59**	**88.44**	**2,161.54**	**91.63**
Profit Before Exceptional Items and Tax	**202.08**	**15.92**	**292.43**	**13.57**	**243.66**	**11.56**	**197.49**	**8.37**
Loss on sale of Fixed Assets	-0.23	-0.02	0.34	0.02	1.11	0.05	-	-
Provision for doubtful debts	-7.66	-0.60	-9.10	-0.42	-10.96	-0.52	4.11	0.17
Provisions for expected credit loss	-2.95	-0.23	-10.21	-0.47	-10.34	-0.49	3.88	0.16
Profit Before Tax	**212.92**	**16.78**	**311.40**	**14.45**	**263.85**	**12.51**	**189.50**	**8.03**

Particulars	For the six months period ended September 30, 2021		Fiscal 2021		Fiscal 2020		Fiscal 2019	
	Amount	**Percentage of total income (%)**	**Amount**	**Percentage of total income (%)**	**Amount**	**Percentage of total income (%)**	**Amount**	**Percentage of total income (%)**
Tax Expenses								
Current tax	55.23	4.35	71.88	3.34	57.50	2.73	47.42	2.01
Deferred tax expenses/ (credit)	5.60	0.44	11.13	0.52	20.31	0.96	-6.68	-0.28
Tax for earlier years	0.00	0.00	-0.22	-0.01	0.37	0.02	0.51	0.02
Profit for the year (A)	**152.09**	**11.98**	**228.61**	**10.61**	**185.67**	**8.81**	**148.25**	**6.28**
Other Comprehensive Income (OCI)								
Items that will not be reclassified subsequently to Profit or Loss								
-Remeasurement of post employment benefit obligation	-3.85	-0.30	5.01	0.23	-5.31	-0.25	-0.14	-0.01
-Income tax effect on above	1.12	0.09	-1.46	-0.07	1.55	0.07	0.04	0.00
Items that will be reclassified subsequently to profit or loss								
-Exchange differences in translating the financial statements of foreign operations	0.98	0.08	-0.84	-0.04	3.11	0.15	0.00	-
-Other Comprehensive Income for the year, net of tax (B)	**-1.75**	**-0.14**	**2.71**	**0.13**	**-0.65**	**-0.03**	**-0.10**	**0.00**
Total Comprehensive Income for the year (A+B)	**150.34**	**11.85**	**231.32**	**10.74**	**185.02**	**8.78**	**148.15**	**6.28**

Six months period ended September 30, 2021

Income

Our total income was ₹1,269.22 million in the six months period ended September 30, 2021.

Revenue from operations

Revenue from operations was ₹1,248.87 million in the six months period ended September 30, 2021. Our revenue from operations in the six months period ended September 30, 2021, included sale of our products domestically and through exports. Revenue from operations from our B2C, B2B2C and ESG segment in the six months period ended September 30, 2021 was ₹ 336.61 million, ₹816.10 million and ₹76.08 million, respectively. Further, our revenue through domestic sales and export sales was ₹604.93 million and ₹643.94 million, respectively.

Other Income

Other income was ₹20.35 million in the six months period ended September 30, 2021. Our other income in the six months period ended September 30, 2021, primarily consisted of applicable net gain/ (loss) on foreign exchange of ₹14.16 million. As a percentage of total income, other income was 1.60% in six months period ended September 30, 2021.

Expenses

Total expenses was ₹1,067.14 million in six months period ended September 30, 2021. As a percentage of total income, total expenses were 84.08%in the six months period ended September 30, 2021.

Cost of material consumed

Cost of materials consumed by our Company was ₹595.31 million for six months period ended September 30, 2021. As a percentage of total income, cost of material consumed were 46.90%in the six months period ended September 30, 2021.

Purchase of stock-in-trade

Expenses relating to purchase of stock-in-trade were ₹32.68 million in the six months ended September 30, 2021. As a percentage of total income, expenses relating to purchases of stock-in-trade were 2.57% in the six months period ended September 30, 2021.

Changes in inventories of finished goods and stock-in-process

Expenses relating to changes in inventories of finished goods and stock-in-process were ₹15.83 million in the six months period ended September 30, 2021. As a percentage of total income, expenses relating to changes in inventories of finished goods and stock-in-process were 1.25% in the six months period ended September 30, 2021.

Employee benefits expense

Employee benefit expenses were ₹169.26 million in the six months period ended September 30, 2021. As a percentage of total income, employee benefit expenses were 13.34% in the six months period ended September 30, 2021. Salaries, wages and allowances were ₹149.34 million, contribution towards provident fund and ESIC was ₹5.76 million and gratuity and leave encashment was ₹7.44 million during the six months period ended September 30, 2021.

Finance Cost

Finance costs were ₹10.10 million in the six months period ended September 30, 2021. Interest on term loan was ₹3.62 million, other financial charges was ₹4.04 million and interest on working capital loan was ₹1.73 million in the six months period ended September 30, 2021. As a percentage of total income, finance costs were 0.80% in the six months period ended September 30, 2021.

Depreciation and amortisation Expenses

Depreciation expenses were ₹31.19 million in the six months period ended September 30, 2021. Depreciation on property, plant and equipment was ₹25.37 million, property, plant and equipment of R&D facility was ₹4.77 million, amortisation of right to use of assets was ₹0.59 million and amortisation of intangible assets was ₹0.46 million in the six months period ended September 30, 2021. As a percentage of total income, depreciation and amortisation expenses were 2.46% in the six months period ended September 30, 2021.

Other Expenses

Other expenses was ₹212.77 million in the six months period ended September 30, 2021. As a percentage of total income, other expenses were 16.76% in the six months period ended September 30, 2021. Other expenses in the six months period ended September 30, 2021 primarily consisted of stores and spares consumed of ₹9.31 million, power and fuel expense of ₹10.94 million, Labour charges of ₹25.61 million, travelling and conveyance expenses of ₹8.77 million, legal, professional and consultancy charges of ₹14.55 million, freight and forwarding expenses of ₹59.54 million, sales promotion expense of ₹10.49 million and brokerage and commission of ₹8.63 million.

Profit before Tax

For the reasons discussed above, profit before tax was ₹212.92 million in the six months period ended September 30, 2021.

Tax Expense

Our tax expenses in the six months period ended September 30, 2021 were ₹60.83 million, including ₹55.23 million of current tax. In addition, there was a deferred tax expenses of ₹5.60 million in the six months period ended September 30, 2021.

Profit for the Period/ Year

Profit for the period was ₹152.09 million in the six months period ended September 30, 2021 resulting in a profit margin of 11.98%.

Fiscal 2021 compared to Fiscal 2020

Income

Our total income for Fiscal 2021 was ₹ 2,154.35 million as compared to ₹ 2,108.26 million for Fiscal 2020, representing an increase of 2.19%. We were able to grow our total income despite the lockdown restrictions and supply chain disruptions caused due to COVID-19 during Fiscal 2021. Further, there was a significant increase in the ESG segment revenue from ₹87.20 million in Fiscal 2020 to ₹182.86 million in Fiscal 2021.

Revenue from operations

Our revenue from operations for the Fiscal 2021 was ₹ 2,099.70 million as compared to ₹ 2,038.42 million for the Fiscal 2020, representing an increase of 3.01%. This was primarily due to increase in demand for our B2B2C and ESG segment where we saw significant increase in volume of premixes and therapeutic foods sold.

Other Income

Other income for the Fiscal 2021 was ₹ 54.65 million as compared to ₹ 69.84 million for Fiscal 2020, representing a decrease of 21.75%. The decrease in other income was primarily due to decrease in export benefit from ₹ 28.83 million in Fiscal 2020 to ₹ 15.21 million in Fiscal 2021 which was primarily due to discontinuation of export benefit by the Government of India after December 2020.

Expenses

The total expenses incurred by our Company in the Fiscal 2021 was ₹ 1,861.92 million as compared to ₹ 1,864.60 million for the Fiscal 2020, representing a decrease of 0.14%..

Cost of material consumed

Cost of materials consumed by our Company was ₹ 1,102.78 million for Fiscal 2021 as compared to ₹ 1,069.30 million for Fiscal 2020, representing an increase of 3.13%. The increase in cost of material consumed was primarily due to increase in prices of our raw materials and packaging materials.

Purchase of stock-in-trade

Purchase of stock in trade for the Fiscal 2021 was ₹ 69.52 million as compared to ₹ 38.57 million for the Fiscal 2020, representing an increase of 80.24%. on account of increase in the high sea sales of certain raw materials

Changes in inventories of finished goods and stock in process

Changes in inventories of finished goods and stock-in-process for Fiscal 2021 was (₹35.92) million as compared to (₹23.74) million for Fiscal 2020, representing an increase of 51.31%. The increase was primarily due to increase in the finished goods inventory of our B2B2C segment owing to the increased anticipated demand.

Employee benefit expenses

Our employee benefit expenses for the Fiscal 2021 was ₹ 307.98 million as compared to ₹ 316.13 million during the Fiscal 2020, representing a decrease of 2.58%. These was primarily due to attrition on account of COVID-19.

Financial costs

Our finance cost for the Fiscal 2021 was ₹ 25.83 million as compared to ₹ 32.91 million during the Fiscal 2020, representing a decrease of 21.51%. The decrease was due to reduction in the interest on term loan from ₹ 15.94 million to ₹ 10.93 million owing to prepayment of the term loan.

Depreciation and amortisation expenses

Our depreciation and amortisation expense for the Fiscal 2021 was ₹ 61.41 million as compared to ₹ 69.68 million during the Fiscal 2020, representing a decrease of 11.87%. This decrease was primarily due to reduction in the amortization of intangible assets.

Other expenses

Other expenses for the Fiscal 2021 was ₹ 330.32 million as compared to ₹ 361.75 million for the Fiscal 2020, representing a decrease of 8.69%. The decrease was mainly due to reduction in travelling overheads from ₹40.73 million in Fiscal 2020 to ₹10.15 million in Fiscal 2021due to COVID-19 travel restrictions.

Profit before Tax

For the reasons discussed above our profit/(loss) before tax for the Fiscal 2021 was ₹ 311.40 million as compared to ₹ 263.85 million for the Fiscal 2020, representing an increase of 18.02%. This increase is mainly attributable to increase in our volumes leading to higher sales and reductions in the other expenses.

Tax expense

Total tax expense for the Fiscal 2021 was ₹ 82.79 million as compared to ₹ 78.18 million for the Fiscal 2020. The increase in tax expense is due to increase in current tax and deferred tax.

Profit / (loss) for the period

As a result of the above, our restated consolidated profit for the Fiscal 2021 was ₹ 228.61 million as compared to ₹ 185.67 million for the Fiscal 2020. Our profit margin increased from 8.81% in Fiscal 2020 to 10.61% in Fiscal 2021.

Fiscal 2020 compared to Fiscal 2019

Income

Our total income for Fiscal 2020 was ₹ 2,108.26 million as compared to ₹ 2,359.02 million for Fiscal 2019, representing a decrease of 10.63%.

Revenue from operations

Our revenue from operations for the Fiscal 2020 was ₹ 2,038.42 million as compared to ₹ 2,306.46 million for the Fiscal 2019, representing an decrease of 11.62%. This was primarily due to lower export sales of premix formulations owing to global disruptions caused due to COVID-19 pandemic toward the end of Fiscal 2020. Further, there was a decline in ESG segment revenue from ₹375.72 million in Fiscal 2019 to ₹87.20 million. In Fiscal 2020 and there was a marginal decline in premix formulations segment.

Other Income

Other income for the Fiscal 2020 was ₹ 69.84 million as compared to ₹ 52.56 million for Fiscal 2019, representing an increase of 32.88%. The increase in other income was primarily due to increase in Exchange gain/(Loss) from ₹ (3.11) million in Fiscal 2019 to ₹ 26.82 million in Fiscal 2020

Expenses

The total expenses incurred by our Company in the Fiscal 2020 was ₹ 1,864.60 million as compared to ₹ 2,161.53 million for the Fiscal 20219, representing a decrease of 13.74%.

Cost of material consumed

Cost of materials consumed by our Company was ₹ 1,069.30 million for Fiscal 2020 as compared to ₹ 1,271.98 million for Fiscal 2019, representing a decrease of 15.93%. The decrease was a combination of reduced volume of premix formulations as well better negotiations of raw material prices with our suppliers.

Purchase of stock-in-trade

Purchase of stock in trade for the Fiscal 2020 was ₹ 38.57 million as compared to ₹ 7.30 million for the Fiscal 2019. The increase was primarily due to increase in high sea sales of certain raw materials.

Changes in inventories of finished goods and stock in process

Changes in inventories of finished goods and stock-in-process for Fiscal 2020 was (₹23.74) million as compared to ₹48.84 million for Fiscal 2019, representing an decrease of 148.61%. The increase was primarily due to increase in work in process stock from₹ 18.33 million in Fiscal 2019 to ₹ 56.02 million in Fiscal 2020

Employee benefit expenses

Our employee benefit expenses for the Fiscal 2020 was ₹ 316.13 million as compared to ₹ 311.84 million during the Fiscal 2019, representing an increase of 1.38%. These was primarily due to increase in the number of employees as well as increment of salaries and wages.

Financial costs

Our finance cost for the Fiscal 2020 was ₹ 32.91 million as compared to ₹ 41.97 million during the Fiscal 2019, representing a decrease of 21.59%. The decrease was due to prepayment of term loan. Our term loan reduced from ₹154.66 million in Fiscal 2019 to ₹119.44 million in Fiscal 2020.

Depreciation and amortisation expenses

Our depreciation expense for the Fiscal 2020 was ₹ 69.68 million as compared to ₹ 78.46 million during the Fiscal 2019, representing a decrease of 11.19%. This decrease was primarily due to reduction in the amortization of intangible assets.

Other expenses

Other expenses for the Fiscal 2020 was ₹ 361.75 million as compared to ₹ 401.14 million for the Fiscal 2019, representing a decrease of 9.82%. The decrease was primarily due to decrease in travelling overheads from ₹ 52.11 million in Fiscal 2019 to ₹ 40.73 million in Fiscal 2020 and decrease in sales and promotion expense from ₹ 42.42 million in Fiscal 2019 to ₹ 28.47million in Fiscal 2020.

Profit before Tax

For the reasons discussed above our profit/(loss) before tax for the Fiscal 2020 was ₹ 263.85 million as compared to ₹ 189.50 million for the Fiscal 2019, representing an increase of 39.23%.

Tax expense

Total tax expense for the Fiscal 2020 was ₹ 78.18 million as compared to ₹ 41.25 million for the Fiscal 2020. The increase in tax expense is due to increase in current tax and deferred tax.

Profit / (loss) for the period

As a result of the above, our restated consolidated profit/ (loss) for the Fiscal 2020 was ₹ 185.67 million as compared to ₹ 148.25 million for the Fiscal 2019. Our profit margin increased from 6.28% in Fiscal 2019 to 8.81% in Fiscal 2020

LIQUIDITY AND CAPITAL RESOURCES

Overview

We finance our operations and capital requirements primarily through cash flows from operations and borrowings under credit facilities from certain banks. We have historically met our liquidity requirements through the cash flow generated through our business operations. We expect to meet our working capital needs and liquidity requirements for the next 12 months primarily from the proceeds of the Offer, cash flows from our business operations and borrowings, as determined by the management.

Cash Flows

Cash and bank balances primarily consist of balances in current accounts with banks, fixed deposits with banks and cash on hand.

The following table sets forth a summary of our statement of cash flows for the periods indicated:

Particulars	Six months period ended September 30, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
Net cash from operating activities	(59.90)	286.32	238.58	362.90
Net cash used in investing activities	(23.48)	(93.45)	(103.22)	(170.87)

Net cash used in/ (from) financing activities	31.58	(178.10)	(9.03)	(227.94)
Net increase / (decrease) in cash and cash equivalent	(51.80)	14.77	126.33	(35.91)

Cash Flows from Operating Activities

Six months period ended September 30, 2021

In the six months period ended September 30, 2021, the operating profit before working capital changes was ₹258.17 million and net cash from operating activities was (₹59.90) million. Working capital adjustments to our operating profit before working capital changes for the period primarily included increase in trade receivables by ₹ 186.01 million, increase in inventories by ₹ 56.34 million, increase in other assets by ₹ 20.70 million, decrease in trade payables by ₹ 68.88 million, increase in other financial liabilities by ₹ 10.31 million and increase in employee benefits by ₹10.01 million. Direct tax paid stood at ₹ 31.80 million.

Fiscal 2021

In the Fiscal 2021, net cash from operating activities was ₹286.32 million and the operating profit before working capital changes was ₹413.85 million which is a 10.71% increase from the operating profit before working capital changes in Fiscal 2020 which was at ₹373.80 million. Working capital adjustments to our operating profit before working capital changes for the period primarily included increase in trade receivables by ₹ 10.02 million, increase in inventories by ₹ 54.06 million, increase in other assets by ₹ 2.47 million, increase in trade payables by ₹ 32.13 million, decrease in other liabilities by ₹ 6.99 million. Direct taxes paid stood at ₹ 86.34 million.

Fiscal 2020

In the Fiscal 2020, net cash from operating activities was ₹238.58 million and the operating profit before working capital changes was ₹373.80 million which is a 24.70% increase from the operating profit before working capital changes in Fiscal 2019 which was at ₹299.75 million. Working capital adjustments to our operating profit before working capital changes for the period primarily included decrease in trade receivables by ₹ 132.72 million, increase in inventories by ₹ 133.87 million, decrease in other financial assets by ₹ 19.30million, decrease in trade payables by ₹ 128.35 million and increase in employee benefits by ₹12.18 million. Direct taxes paid stood at ₹ 40.87 million.

Fiscal 2019

In the Fiscal 2019, net cash from operating activities was ₹362.90 million and the operating profit before working capital changes was ₹299.75 million. Working capital adjustments to our operating profit before working capital changes for the period primarily included increase in trade receivables by ₹ 59.41 million, decrease in inventories by ₹ 156.26 million, increase in other financial assets by ₹13.68 million, decrease in other assets by ₹19.41 million, increase in trade payables by ₹ 18.45 million, increase in other financial liabilities ₹15.35 million, decrease in other liabilities by ₹24.18 million and increase in employee benefits by ₹11.87 million. Direct taxes paid stood at ₹ 60.91 million.

Investing Activities

Six months period ended September 30, 2021

In six months period ended September 30, 2021, net cash used in investing activities was ₹ 23.48 million primarily on account of purchase of property, plant and equipment, intangible and capital work in progress of ₹ 85.97 million, investment in bank deposit of ₹ 16.08 million which was partially offset by proceeds from investments in mutual fund of ₹ 77.40 million, interest income of ₹ 1.17 million.

Fiscal 2021

In Fiscal 2021, net cash used in investing activities was ₹ 93.45 million primarily on account of purchase of property, plant and equipment, intangible and capital work in progress of ₹73.29 million, investment in mutual fund of ₹60.69

million which was partially offset by interest income of ₹5.11 million and with drawal of bank deposit of ₹35.42 million.

Fiscal 2020

In Fiscal 2020, net cash used in investing activities was ₹ 103.22 million primarily on account of purchase of property, plant and equipment, intangible and capital work in progress of ₹22.83 million, investment in mutual fund of ₹40.12 million, investment in bank deposit of ₹43.38 million which was partially offset by interest income of ₹2.69 million and dividend received on mutual fund investments of ₹0.42 million.

Fiscal 2019

In Fiscal 2019, net cash used in investing activities was ₹ 170.87 million primarily on account of purchase of property, plant and equipment, intangible and capital work in progress of ₹73.46 million, investment in mutual fund of ₹68.42 million and investment in bank deposit of ₹30.75 million which was partially offset by interest income of ₹1.76 million.

Financing Activities

Six months period ended September 30, 2021

Net cash used from financing activities during the six months period ended September 30, 2021 amounted to ₹ 31.58million. This primarily consisted of proceeds from short term borrowings of ₹59.14 million, interest paid of ₹10.10 million, repayment of long term borrowings of ₹17.46 million.

Fiscal 2021

Net cash used in financing activities for Fiscal 2021 amounted to ₹ 178.10million. This primarily consisted of repayment of long term borrowings of ₹48.20 million, repayment of short term borrowings of ₹85.65 million, dividend paid of ₹ 18.42 million and interest paid of ₹25.83 million.

Fiscal 2020

Net cash used in financing activities for Fiscal 2020 amounted to ₹ 9.03million. This primarily consisted of proceeds from short term borrowings of ₹ 69.23 million, proceeds from issue of share capital at premium of ₹ 4.63 million, interest paid of ₹ 32.91 million, repayment of long term borrowings of ₹ 35.22 million and dividend paid of ₹14.76 million.

Fiscal 2019

Net cash used in financing activities for Fiscal 2019 amounted to ₹ 227.94million. This primarily consisted of repayment of long term borrowings of ₹ 17.12 million and repayment of short term borrowings of ₹ 172.93 million, interest paid of ₹ 41.97 million and proceeds from issue of share capital at premium of ₹ 4.07 million.

FINANCIAL INDEBTEDNESS

As of November 30, 2021, we had outstanding indebtedness of ₹ 398.53 million. The following table sets forth certain information relating to our outstanding indebtedness as of November 30, 2021:

(₹ in million)

Particulars	As of November 30, 2021 payment due by period (₹ in million)
Long Term Borrowings	
Term Loans (Secured)	*80.70*
Term Loans (unsecured)	-
Total long term borrowings (including current	**80.70**

maturities) (A)	
Short Term Borrowings	
Secured	317.83
Unsecured	-
Total Short Term Borrowings (B)	**317.83**
Total Borrowings (A+B)	**398.53**

For further details, see "*Financial Indebtedness*" on page 308.

OTHER CONTRACTUAL OBLIGATIONS

As at September 30, 2020, the estimated amount of capital commitment (to the extent not provided for) stood at ₹18.63 million.

The table below summarizes the maturity profile of the Company's financial liabilities as of September 30, 2021:

(₹ in million)

Particulars	Contractual cash flow			
	One year or less	**1-5 years**	**More than 5 years**	**Total**
Borrowings	190.56	53.77	-	244.33
Trade payables	285.83	-	-	285.83
Other financial liabilities	73.23	16.23	-	89.46
Total	**549.62**	**70.00**	**-**	**619.62**

CAPITAL EXPENDITURE

Our capital expenditure (cash outflow) includes purchase of property, plant and equipment and intangible assets and capital work in progress. The following table sets out the cash outflow on capital expenditure for the periods indicated:

(₹ in million)

Particulars	As of September 30, 2021	As of March 31		
		2021	**2020**	**2019**
Purchase of property, plant and equipment and intangible assets and capital work in progress	(85.97)	(73.29)	(22.83)	(73.49)

For further information, see "*Restated Consolidated Financial Statements*" on page 223.

CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The following table sets forth certain information relating to our contingent liabilities and capital commitments:

(₹ in million)

Particulars	As of September 30, 2021	As of March 31		
		2021	**2020**	**2019**
Contingent liabilities	-	15.36	73.20	-
Capital commitments (to the extent not provided for)	18.63	27.77	9.60	1.62
Corporate Guarantee	439.40	352.20	352.00	384.50
Bank Guarantees	73.95	17.85	70.61	-
Statutory Dues	-	2.25	2.59	-

OFF-BALANCE SHEET ARRANGEMENTS

Except as disclosed in our Restated Consolidated Financial Statements or otherwise in this Draft Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. For further details relating to our related party transactions, see "*Note 39 – Note to Restated Consolidated Financial Statements – Financial Statements*" on page 282.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Market Risk

We are exposed to price risk, interest rate risk, credit risk, liquidity risk and foreign currency risk and among others. Our risk management approach seeks to minimize the potential material adverse effects from these exposures. Accordingly, we have established a framework and process to monitor the exposures to implement appropriate measures in a timely and effective manner.

Interest Rate Risk

Interest rate risk is a risk that primarily arises from floating rate that we pay on our borrowings with banks and financial institutions. We are exposed to the effects of fluctuations in the prevailing levels of market rates on our financial position. As at March 31, 2021, substantially all of our Company's borrowings were subject to floating interest rate, which are reset at short intervals. We expect that any changes in such rates would have a material impact on our financial condition and results of operations.

Credit Risk

Credit risk is the risk of financial loss to us if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from receivables from customers and investment securities. The carrying amounts of financial assets represent the maximum credit exposure.

Trade receivables

We extend credit to customers in normal course of business. We consider factors such as credit track record in the market and past dealings for extension of credit to customers. To manage credit risk, we periodically assesses the financial reliability of the customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. Outstanding customer receivables are regularly monitored to make an assessment of recoverability. Receivables are provided as doubtful / written off, when there is no reasonable expectation of recovery. Where receivables have been provided / written off, we continue regular follow up, engage with the customers, legal options / any other remedies available with the objective of recovering these outstanding. We are not exposed to concentration of credit risk to any one single customer since services are provided to vast spectrum. The Group also takes security deposits, advances, post dated cheques etc from its customers, which mitigate the credit risk to an extent.

Investments in companies

We have made investments in subsidiaries. We do not perceive any credit risk pertaining to investments made in such related entities.

Liquidity Risk

Liquidity risk is the risk that we will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to our reputation.

Foreign Currency Risk

Our Company is exposed to currency risk on account of its operating and financing activities. The functional currency of our Company is Indian Rupee. Our exposure is mainly denominated in U.S. dollars. The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. Our Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. Our Company has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

Price Risk

Our Company is exposed to price risk arising from investments held by our Company and classified in the balance sheet either as fair value through profit or loss. To manage the price risk arising from investment in securities, our Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by our Company.

OTHER QUALITATIVE FACTORS

Unusual or Infrequent Events or Transactions

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses

Significant Dependence on a single or few suppliers or customers

Other than as described in this Draft Red Herring Prospectus particularly in "*Risk Factors*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 29 and 310, respectively, there is no dependence on a single or few customers or suppliers.

Known Trends or Uncertainties

Our business has been impacted and we expect will continue to be impacted by the trends identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations–Factors Affecting Our Results of Operations*" and the uncertainties described in "*Risk Factors*" beginning on pages 312 and 29, respectively. To our knowledge, except as we have described in this Draft Red Herring Prospectus, there are no known factors that we expect to have a material adverse impact on our revenues or income from operations.

Total Turnover of Each Major Industry Segment

The operations of the Company are limited to one segment viz. Nutraceuticals. For the six months period ended September 30, 2021 and Financial Years 2021, 2020 and 2019, we operated in only a single reportable segment.

Significant Economic Changes that Materially Affected or are likely to Affect Income from Operations

Other than as described in this section and the sections of this Draft Red Herring Prospectus titled "*Risk Factors*" and "*Industry Overview*" on pages 29 and 116, respectively, there have been no significant economic changes that materially affected or are likely to affect our Company's income from operations.

Future relationship between Cost and Revenue

Other than as described in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages on page 29, 149 and 310, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition

Material Increases in Net Income and Sales

Material increases in our Company's net income and sales are primarily due to the reasons described in the section entitled "*Management discussion and analysis of financial condition and results of operations - Results of Operations*" above on page 316.

Status of any publicly announced new products or business segment, if applicable

Except as disclosed in "*Our Business*" on page 149, we have not announced and do not expect to announce in the near future any new products or business segments.

Competitive Conditions

We operate in a competitive environment. See "*Our Business*", "*Industry Overview*" and "*Risk Factors*" on pages 149, 116 and 29, respectively, for further details on competitive conditions that we face in our business.

Seasonality of Business

There is no seasonality in our business.

SUMMARY OF RESERVATION, QUALIFICATIONS, ADVERSE REMARKS AND EMPHASIS OF MATTERS BY AUDITORS

Our Statutory Auditor has not provided or highlighted any reservations/ qualifications/ adverse remarks/ emphasis of matters in their audit reports on the audited consolidated financial statements during six months period ended September 30, 2021 and Fiscal 2021, 2020 and 2019.

SIGNIFICANT DEVELOPMENTS AFTER SEPTEMBER 30, 2021, THAT MAY AFFECT OUR RESULTS OF OPERATIONS

Other than as disclosed in this Draft Red Herring Prospectus, including under "*Our Business*", "*Risk Factors*" and in this section, to our knowledge no circumstances have arisen since the date of the last financial information disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect, our trading or profitability, or the value of our assets or our ability to pay our liabilities within the next 12 months.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities; (iii) claims related to direct and indirect taxes; and (iv) other outstanding litigation as determined to be material as per the Materiality Policy, in each case involving our Company, its Subsidiaries, Promoters and Directors ("**Relevant Parties**").*

For the purpose of identification of material litigation in (iv) above, our Board has considered and adopted the Materility Policy with regard to outstanding litigation to be disclosed by our Company in this Draft Red Herring Prospectus. Accordingly, disclosures of the following types of litigation involving our Company, Directors, Promoters or Subsidiaries have been included.

In terms of the Materiality Policy, all outstanding litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary actions including any penalty imposed by SEBI or stock exchanges against our Promoters in the last five Fiscals including any outstanding actions as required under the SEBI ICDR Regulations, and tax matters (direct or indirect), would be considered 'material' for disclosure in this Draft Red Herring Prospectus:

1. *where the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of 1% of the profit after tax of the Company as of March 31, 2021, as per the latest Restated Consolidated Financial Statements, being ₹ 2.29 million; or*
2. *where the outcome in one litigation is likely to affect the outcome in similar litigations, even though the amount involved in an individual litigation may not be in excess of 1% of the profit after tax of the Company as of March 31, 2021, as per the latest Restated Consolidated Financial Statement, being ₹ 2.29 million; or*
3. *all other outstanding litigation which may not meet the specified threshold and parameters as set out in 1 and 2 above, or wherein a monetary liability is not quantifiable but where an adverse outcome would materially and adversely affect the business, operations, financial position, or reputation of the Company (to be determined by the Company).*

It is clarified that for the purposes of the above, pre-litigation notices received by the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities) shall, unless otherwise decided by our Board, not be considered as material until such time that the Relevant Parties, as applicable, is impleaded as defendant or respondent in litigation proceedings before any judicial forum.

Further, except as disclosed in this section, there are no disciplinary actions including penalties imposed by the SEBI or the stock exchanges against our Promoters in the last five Financial Years including any outstanding action.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted the Materiality Policy for identification of material outstanding dues to creditors. In terms of the Materiality Policy, outstanding dues to any creditor of our Company having a monetary value which exceeds 5% of the total trade payables of our Company as per the Restated Consolidated Financial Statement of our Company as at March 31, 2021 disclosed in the Draft Red Herring Prospectus, shall be considered as 'material'. Accordingly, as on March 31, 2021, any outstanding dues exceeding ₹ 17.74 million have been considered as material outstanding dues for the purposes of disclosure in this section.

I. Litigation involving our Company

A. Outstanding criminal proceedings involving our Company

Outstanding criminal proceedings against our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Company.

Outstanding criminal proceedings initiated by our Company

2 criminal complaint under Section 138 of the Negotiable Instruments Act, 1881, has been initiated by our Company against P & G Medisales and its partners and Sanjay Dhandhania, proprietor of N.B. Medicine for cheques that were presentated but returned dishounored. The aggregate amount involved in these matters is ₹ 0.43 million. The matters are pending at different stages of adjudication before Metropolitan Magistrate Court, Mumbai.

B. Action by statutory or regulatory authorities against our Company

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by any statutory or regulatory authorities against our Company.

C. Material outstanding litigation involving our Company

Material civil litigation initiated against our Company

As on the date of this Draft Red Herring Prospectus, there are no material civil litigation initiated against our Company.

Material civil litigation initiated by our Company

As on the date of this Draft Red Herring Prospectus, there are no material civil litigation initiated by our Company.

II. Litigation involving our Subsidiaries

A. Outstanding criminal proceedings involving our Subsidiaries

Outstanding criminal proceedings against our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Subsidiaries.

Outstanding criminal proceedings initiated by our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Subsidiaries.

B. Action by statutory or regulatory authorities against our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no outstanding actions by any statutory or regulatory authorities against our Subsidiaries.

C. Material outstanding litigation involving our Subsidiaries

Material civil litigation initiated against our Subsidiaries

As on the date of this Draft Red Herring Prospectus, there are no outstanding civil litigations initiated against our Company.

Material civil litigation initiated by our Subsidiaries

1. Hexagon Nutrition (Exports) Private Limited ("**Plaintiff**") has filed a civil case dated August 29, 2018 against Amesi Kenya Limited ("**Defendant**") before the Chief Magistrate Court at Nairobi, Republic of Kenya ("**Court**") for non-payment of outstanding sum of $ 114,139 ("**Outstanding Amount**"). The Plaintiff and the Defendant had entered into various oral contract in 2016-2017, whereas the Plaintiff had agreed to sell and Defendant had agreed to buy food additives manufactured, distributed and sold by Plaintiff. The Defendants made partial payments toward three Invoices amounting to $149,136 and defaulted in making the payment of

Outstanding Amount toward two invoices issued by Plaintiff. The Plaintiff issued notice dated May 2, 2018 demanding the Defendant to make the payment of the Outstanding Amount. The Defendant has failed to make the payment, therefore the Plaintiff has filed this civil case before the Court and is pending.

2. Hexagon Nutrition (Exports) Private Limited ("**Plaintiff**") has filed a civil case dated August 29, 2018 against JFK Food Additives Limited ("**Defendant**") before the Chief Magistrate Court at Nairobi, Republic of Kenya ("**Court**") for non-payment of outstanding sum of $149,136 ("**Outstanding Amount**"). The Plaintiff and the Defendant had entered into various oral contract in 2015-2016, whereas the Plaintiff had agreed to sell and Defendant had agreed to buy food additives manufactured, distributed and sold by Plaintiff. The Defendants made partial payments toward four Invoices amounting to $181,165 and defaulted in making the payment of Outstanding Amount toward two invoices issued by Plaintiff. The Plaintiff issued notice dated May 2, 2018 demanding the Defendant to make the payment of the Outstanding Amount. The Defendant has failed to make the payment, therefore the Plaintiff has filed this civil case before the Court and is pending.

3. Bio-Organics Nutrient Systems Limited ("**Appellant**") has filed an appeal before the court of appeal of Nigeria Holden at Lagos against Hexagon Nutrition (Exports) Private Limited ("**Respondent**") being aggrieved by the ruling of High Court of Lagos State dated June 14, 2017 in suit no. ID/ADR/261/2016 ("**Suit**") and seeking striking out of the Suit on the ground of jurisdiction. The Defendants had filed notice of preliminary objection in the Suit seeking (i) orders for setting aside service of the writ of summons and all other originating processes as well as the motion on notice dated December 6, 2016 for lack of proper service; and (ii) striking out of this Suit for want of Jurisdiction, which was dismissed by High Court of Lagos State in its ruling dated June 14, 2017. The amount involved in the suit is $216,360. The Appellants being aggrieved by the ruling has filed this appeal and is pending.

4. Hexagon Nutrition (Exports) Private Limited ("**Plaintiff**") has filed a case against Lifewin Investments (Pvt) Ltd ("**Defendants**") before the High Court of Zimbabwe ("**Court**") for payment of sum of US $290,545.50 being balance due to the Plaintiff in respect of supply of vitamin and mineral premixes to Defendant along with interest on the sum US$290,545.50 at current prescribed rate and cost of suit. The Plaintiff had supplied Vitamins and Minerals premixes to the Defendant sometime in 2017 and had raised 2 invoices amounting to US$343,500.00. An amount of US$52,954.50 which was due by the Plaintiff in respect of unpaid commissions was deducted from US$343,500.00 leaving a balance of US$290,545.50 to be paid to the Plaintiff. The Defendants has failed to make the payment, therefore the plaintiff ad filed this civil case before the Court and is pending.

III. Litigation involving our Directors

A. Outstanding criminal proceedings involving our Directors

Outstanding criminal proceedings against our Directors

1. K. Ganesan ("**Claimant**") has filed a claim against Arun Purushottam Kelkar ("**Respondent 1**") and Kotak General Insurance Co. Limited ("**Respondent** 2" together referred to as "**Respondents**") before the Motor Accidents Claims Tribunal ("**Tribunal**") under Sections 140 and 166 of the Motor Vehicles Act 59/1988 and Form II Rule 4(1) and (2) of the Tamil Nadu Motor Vehicles Accidents Claims Tribunal Rules, 1989, for compensation of ₹ 1.00 million from the Respondents for alleged rash and negligent driving by Respondent 1's driver, as the injuries due to the accident allegedly has caused permanent disability of the Claimant. On January 22, 2020, the Claimant was riding his motorbike, when Respondent 1's car that was driven by his driver allegedly dashed into Claimant's motorbike, wherein allegedly the Claimant sustained facture, head injury, laceration, abrasion in forehead and multiple internal and external injuries all over the body. As these injuries have allegedly caused permanent disability of Claimant. The Claimant he has filed the said claim before the Tribunal and the matter is pending.

Outstanding criminal proceedings initiated by our Directors

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Directors.

B. Pending action by statutory or regulatory authorities against our Directors

As on the date of this Draft Red Herring Prospectus, there are no pending actions by statutory or regulatory authorities against our Directors.

C. *Material outstanding litigation involving our Directors*

Material civil litigation initiated against our Directors

As on the date of this Draft Red Herring Prospectus, there are no material civil litigation initiated against our Directors.

Material civil litigation initiated by our Directors

As on the date of this Draft Red Herring Prospectus, there are no material civil litigation initiated by our Directors.

IV. Litigation involving our Promoters

D. Outstanding criminal proceedings involving our Promoters

Outstanding criminal proceedings against our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our Promoters.

Outstanding criminal proceedings initiated by our Promoters

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated by our Promoters.

E. Pending action by statutory or regulatory authorities against our Promoters

As on the date of this Draft Red Herring Prospectus, there are no pending actions by statutory or regulatory authorities against our Promoters.

F. *Material outstanding litigation involving our Promoters*

Material civil litigation initiated against our Promoters

As on the date of this Draft Red Herring Prospectus, there are no material civil litigation initiated against our Promoters.

Material civil litigation initiated by our Promoters

As on the date of this Draft Red Herring Prospectus, there are no material civil litigation initiated by our Promoters.

G. Disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoters in the last five financial years immediately preceding the date of filing of this Draft Red Herring Prospectus

There has been no disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five financial years immediately preceding the date of filing of this Draft Red Herring Prospectus.

V. Tax claims

There are no claims related to direct and indirect taxes, involving our Company, Subsidiaries, Directors, and Promoters.

Outstanding dues to Creditors

As of September 30, 2021, our Company has 411 creditors, and the aggregate outstanding dues to these creditors by our Company are ₹ 285.83 million.

As per the Materiality Policy, creditors of our Company to whom our Company owes an amount having a monetary value exceeding 5% of the total trade payables of our Company as of March 31, 2021, (i.e., an amount exceeding ₹ 17.74 million) have been considered as 'material'. As of September 30, 2021, there are 3 material creditor to whom our Company owes an aggregate amount of ₹ 119.70 million.

Based on this criteria, details of outstanding dues owed as on September 30, 2021 by our Company are set out below:

Types of Creditors	Number of Creditors	Amount involved (in ₹ million)
Micro, Small and Medium Enterprises	89	64.78
Material creditor	3	119.70
Other creditors (Other than micro, small and medium enterprises & Material Creditor)	319	101.35
Total	**411**	**285.83**

The details pertaining to outstanding dues towards our material creditor are available on the website of our Company at www.hexagonnutrition.com.

Material Developments

Except as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" on page 310, no circumstances have arisen since September 30, 2021, the date of the last Restated Consolidated Financial Statements disclosed in this Draft Red Herring Prospectus, which may materially and adversely affect, or are likely to affect our profitability, our operations, the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our Company and our Material Subsidiaries have received the necessary material consents, licenses, permissions, registrations and approvals from the Government of India, various governmental agencies and other statutory and/ or regulatory authorities required for carrying out their present business activities. Unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus. Certain approvals may have lapsed in their normal course and our Company and our Material Subsidiaries have either made applications to the appropriate authorities for renewal of such licenses and/or approvals or is in the process of making such applications. For details in connection with the regulatory and legal framework within which we operate, see "Key Regulations and Policies" on page 171.

For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see "Risk Factors – Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations could materially and adversely affect our business, prospects, cash flows, results of operations and financial condition" on page 31. For further details in connection with the regulatory and legal framework within which we operate, see "Key Regulations and Policies", beginning on page 171. Set out below are a list of material approvals, consents, licences, and permissions from various government and regulatory authorities obtained by us which are material and necessary for undertaking our business and operations.

I. Material Approvals in relation to incorporation of our Company and our Material Subsidiaries, as applicable

For details in relation to the incorporation of our Company and our Material Subsidiaries, see "*History and Certain Corporate Matters*" and *"Our Subsidiaries*", beginning on page 176 and 187.

II. Approvals in relation to the Offer

For the approvals and authorisations obtained by our Company in relation to the Offer, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*", beginning on page 336.

III. Material Approvals in relation to the business operations of our Company and our Material Subsidiaries, as applicable

In order to operate our manufacturing facilities and processing units, our Company and our Material Subsidiaries require various approvals and/or licenses under various laws, rules and regulations. We are required to obtain licenses and approvals under the following laws and regulations:

(i) Registration and license to work a factory under the Factories Act, 1948, obtained for our manufacturing facilities located at Maharashtra and Tamil Nadu;

(ii) Fire service license obtained from the relevant fire department;

(iii) Consent to establish and consent to operate under the Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981 and Hazardous and Other Waste (Management and Transboundary Movement) Rules, 2016 and other relevant rules and regulations, as applicable;

(iv) Licenses issued by Food Safety and Standard Authority of India under the Food Safety and Standards Act, 2006 and the rules and regulations thereunder;

(v) Certificate of registration under the Contract Labour (Regulation and Abolition) Act, 1970;

(vi) Import-Export Code ("**IEC**") issued by the Ministry of Commerce and Industry, Government of India.

IV. Registration under Tax Laws

Our Company and our material subsidiaries are required to register itself under various tax laws such as the Income

Tax Act, 1961 and Goods and Services Tax Act, 2017. Our Company and our material subsidiaries are also required to pay state specific professional tax. Our Company and our material subsidiaries have obtained the necessary licenses, approvals and registrations from the appropriate regulatory and governing authorities in relation to such tax laws.

V. Registrations under Employment Laws

Our Company and our material subsidiaries have obtained the relevant shops and establishments' registrations. Certain licenses may have lapsed under their normal course. Our Company and our material subsidiaries have either made an application to the appropriate authorities for fresh registrations or for renewal of existing registrations, or is in the process of making such applications. Our Company and our material subsidiaries have also obtained registrations under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorized by a resolution of our Board dated December 7, 2021, and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated December 7, 2021 in terms of Section 62(1)(c) of the Companies Act.

This Draft Red Herring Prospectus has been approved by our Board and IPO Committee *vide* their resolutions in their respective meetings dated December 22, 2021 and December 23, 2021.

Each of the Selling Shareholders has, severally and not jointly, authorized and confirmed inclusion of its portion of the Offered Shares as part of the Offer for Sale, as set out below:

Name of the Selling Shareholder	Number of Offered Shares	Date of Selling Shareholders' Consent Letter	Date of board resolution/ investment committee resolution
Arun Purushottam Kelkar	7,700,000	December 17, 2021	-
Subhash Purushottam Kelkar	6,136,000	December 17, 2021	-
Nutan Subhash Kelkar	2,500,000	December 17, 2021	-
Anuradha Arun Kelkar	1,500,000	December 17, 2021	-
Somerset Indus Healthcare Fund I Limited	12,204,250*	December 17, 2021	December 17, 2021
Mayur Sirdesai	73,668*	December 17, 2021	-

** As on the date of this Draft Red Herring Prospectus, Somerset holds 1,000 Equity Shares and 12,135,056 CCPS and Mayur Sirdesai holds 100 Equity Shares and 73,156 CCPS. All the outstanding CCPS shall be converted into maximum 12,276,818 Equity Shares comprising 12,203,250 Equity Shares to Somerset and 73,568 Equity Shares to Mayur Sirdesai prior to filing the Red Herring Prospectus with the RoC. Subsequent to the conversion of the CCPS into the Equity Shares, it will be part of the Offered Shares offered in the Offer.*

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, the Selling Shareholders, Promoters, members of our Promoter Group, Directors and persons in control of our Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

None of the companies with which our Promoters or Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

Directors associated with the Securities Market

None of our Directors are associated with securities market related business, in any manner.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, the Selling Shareholders, Promoters and members of our Promoter Group are compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

a) Our Company has net tangible assets of at least ₹30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;

b) Our Company has an average operating profit of at least ₹150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;

c) Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated basis and consolidated basis; and

d) there has been no change of name of our Company at any time during the last one year immediately preceding the date of filing of this Draft Red Herring Prospectus, other than conversion from a private limited company to a public limited company.

Our Company's operating profit, net worth, net tangible assets and monetary assets derived from the Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus as at, and for the last three years ended March 31 are set forth below:

Derived from our Restated Consolidated Financial Statements:

(*in ₹ million except as indicated*)

Particulars	Fiscal 2021	Fiscal 2020	Fiscal 2019
Net tangible assets, as restated (1)	1,335.31	1,106.78	908.65
Monetary assets, as restated (2)	401.12	356.60	139.96
Monetary assets as a percentage of net tangible assets (%), as restated	30.04	32.22	15.40
Operating profit, as restated (3)	282.58	226.92	178.91
Net worth, as restated (4)	1,380.26	1,167.36	992.47

Notes:

(1) 'Net tangible assets' means the sum of all net assets of our Company, excluding intangible assets as defined in Indian Accounting Standard (Ind AS) 38 and deferred tax assets as defined in Ind AS 12 and excluding the impact of deferred tax liabilities as defined in Ind AS 12 issued by Institute of Chartered Accountants of India.

(2) 'Monetary assets' is the aggregate of cash on hand and balance with banks (including other bank balances and interest accrued thereon) and excluding bank deposits under lien with banks for issue of guarantees

(3) 'Operating profit' has been calculated as profit before finance costs, other income, exceptional item and tax expenses.

(4) 'Net Worth' means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

Our Company has operating profits in each of Fiscal 2021, 2020 and 2019 in terms of our Restated Consolidated Financial Statements. Our average operating profit for Fiscals 2021, 2020 and 2019 is ₹ 299.47 million.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

(a) None of our Company, our Promoters, members of our Promoter Group, our Directors or the Selling Shareholders are debarred from accessing the capital markets by SEBI.

(b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.

(c) None of our Company, our Promoters or Directors is a Wilful Defaulter.

(d) None of our Promoters or Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

(e) Other than 12,208,212 Compulsorily Convertible Preference Shares which shall be converted into a cumulative maximum of 1,22,76,818 Equity Shares prior to filing the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations, and employee stock options that may be granted pursuant to ESOP Scheme, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

Each Selling Shareholder, severally and not jointly, confirms that it is in compliance with Regulation 8 of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLMS, EQUIRUS CAPITAL PRIVATE LIMITED AND SBI CAPITAL MARKETS LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLMS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 23, 2021,IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, AS AMENDED OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMS, ANY IRREGULARITIES OR LAPSES IN THIS

DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, our Directors, the Selling Shareholders and the BRLMs

Our Company, our Directors, the Selling Shareholders and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, www.hexagonnutrition.com, or any website of any of the members of our Promoter Group, or any affiliate of our Company, would be doing so at his or her own risk. Each Selling Shareholders and their respective directors, affiliates, associates and officers accept/undertake no responsibility for any statements made or undertakings provided other than those specifically undertaken or confirmed by such Selling Shareholders, and only in relation to itself and/or to the respective Offered Shares.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders (to the extent of themselves and their Offered Shares) and the BRLMs to the Bidders and public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Neither our Company nor the Selling Shareholders nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The BRLMs and their respective associates may engage in transactions with, and perform services for our Company, the Selling Shareholders and their respective affiliates or 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 or the Selling Shareholders or their respective affiliates or associates for which they have received, and may in future receive compensation.

Bidders will be required to confirm, and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares, and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders and the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Disclaimer in respect of jurisdiction

Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at Mumbai, India only.

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

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 the Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of the Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to us post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Disclaimer clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to NSE. The disclaimer clause as intimated by NSE to us post scrutiny of this Draft Red Herring Prospectus shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

Listing

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Application has been made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares being offered and sold in the Offer and [●] is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of this Draft Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date. If our Company does not allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% *per annum* for the delayed period.

The Selling Shareholders undertakes to provide such reasonable support and extend reasonable cooperation as may be required and requested by our Company, to the extent such support and cooperation is required from such Selling Shareholder to facilitate the process of listing and commencement of trading of their respective portion of the Offered Shares on the Stock Exchanges within six working days from the Bid/Offer Closing Date.

Consents

Consents in writing of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Indian legal counsel to our Company, Indian legal counsel to the BRLMs, legal counsels to the Investor Selling Shareholders, the Bankers to our Company, Bhuwania & Agarwal Associates, Statutory Auditors, Chartered Engineer and the Registrar to the Offer have been obtained; and the consents in writing of the Syndicate Members, Escrow Collection Banks, Public Offer Account Bank, Refund Bank, Sponsor Bank, Monitoring Agency and International Legal Counsel to act in their respective capacities, will be obtained. Further, such consents shall not be withdrawn up to the time of filing of the Red Herring Prospectus with RoC.

Expert opinion

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

Our Company has received written consent from our Statutory Auditors to include their name in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) read with Section 26 of the Companies Act 2013 to the extent and in their capacity as the statutory auditor of our Company and in respect of their examination report on our Restated Consolidated Financial Statements dated December 7, 2021 and in respect of the statement of possible tax benefits dated December 21, 2021. The consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

Our Company has received written consent from Chartered Engineer to include their name in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) read with Section 26 of the Companies Act 2013 to the extent and in their capacity as the Chartered Engineer of our Company and in respect of their Certificate dated December 15, 2021. The consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues undertaken by our Company during the last five years

There have been no public issues or rights issues undertaken by our Company during the five years immediately preceding the date of this Draft Red Herring Prospectus.

Commission or brokerage on previous issues during the last five years

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Capital Issues in the preceding three years

Except as disclosed in the section entitled "*Capital Structure*" on page 72, our Company has not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus.

Performance *vis-à-vis* objects - Public/ rights issue of our Company

Our Company has not undertaken any public, including any rights issues to the public in the five years immediately preceding the date of this Draft Red Herring Prospectus.

Performance *vis- à-vis* objects: Public/ rights issue of the listed Subsidiaries and listed Promoters

As of the date of this Draft Red Herring Prospectus, our Company does not have a listed subsidiary company or any corporate promoters.

Price information of past issues handled by the BRLMs

A. Equirus Capital Private Limited

Price information of past issues handled by Equirus Capital Private Limited (during the current Fiscal and two Fiscals preceding the current financial year):

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Antony Waste Handling Cell Limited	2,999.85	315.00	January 01,2021	436.10	-10.27% [-2.74%]	-23.21% [+4.80%]	+2.14% [+12.34%]
2.	G R Infraprojects Limited	9,623.34	837.00[1]	July 19, 2021	1,715.85	+90.82% [+5.47%]	+138.85% [+16.42%]	N.A.
3.	Rolex Rings Limited	7,310.00	900.00	August 9, 2021	1,250.00	+22.28% [+6.79%]	+31.50% [+10.20%]	N.A.
4.	Krsnaa Diagnostics Limited	12,133.35	954.00[2]	August 16, 2021	1,005.55	-9.42% [+4.93%]	-27.73% [+9.30%]	N.A.
5.	Anand Rathi Wealth Limited	6,593.75	550.00[3]	December 14, 2021	600.00	N.A.	N.A.	N.A.
6.	Metro Brands Limited	13,675.05	500.00	December 22, 2021	437.00	N.A.	N.A.	N.A.

***Source**: www.nseindia.com for price information and prospectus for issue details*

Notes:

1. *A discount of ₹ 42 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of G R Infraprojects Limited IPO*
2. *A discount of ₹ 93 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Krsnaa Diagnostics Limited IPO*
3. *A discount of ₹ 25 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Anand Rathi Wealth Limited IPO*
4. *The S&P CNX NIFTY is considered as the Benchmark Index.*
5. *Price on NSE is considered for all of the above calculations.*
6. *In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.*
7. *N.A. (Not Applicable) – Period not completed.*

Summary statement of price information of past public issues handled by Equirus Capital Private Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ million)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2021-2022*	5	49,335.49	-	-	1	1	-	1	-	-	-	-	-	-
2020 -2021	1	2,999.85	-	-	1	-	-	-	-	-	-	-	-	1
2019 -2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-

** The information is as on the date of this Draft Red Herring Prospectus.*
The information for each of the financial years is based on issues listed during such financial year.

B. **SBI Capital Markets Limited**

Price information of past issues handled by SBI Capital Markets Limited (during the current Fiscal and two Fiscals preceding the current financial year):

Sr. No.	Issue Name	Issue Size (₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Barbeque-Nation Hospitality Limited	4,528.74	500.00	April 07, 2021	489.85	18.77% [-0.64%]	76.97% [+6.85%]	122.53% [+18.31%]
2.	Macrotech Developers Limited	25,000.00	486.00	April 19, 2021	436.00	30.22% [+5.21%]	75.43% [+10.89%]	146.32% [+23.75%]
3.	Shyam Metalics and Energy Limited (4)	9,085.50	306.00	June 24, 2021	380.00	40.95% [+0.42%]	22.65% [+11.22%]	0.90% [7.38%]
4.	G R Infraprojects Limited (3)	9,623.34	837.00	July 19, 2021	1,715.85	90.82% [+5.47%]	138.85% [+43.02%]	NA
5.	Glenmark Life Sciences Limited	15,136.00	720.00	August 06, 2021	750.00	-6.40% [+6.68%]	-12.85% [+9.80%]	NA
6.	Windlas Biotech Limited	4,015.35	460.00	August 16, 2021	437.00	-18.04% [+4.93%]	-34.46% [+9.30%]	NA

7.	Nuvoco Vistas Corporation Limited	50,000.00	570.00	August 23, 2021	485.00	-5.91% [+6.46%]	NA	NA
8.	Aditya Birla Sun Life AMC Limited	27,682.56	712.00	October 11, 2021	715.00	-11.36% [+0.55%]	NA	NA
9.	Tarsons Products Limited (2)	8,738.40	662.00	November 26, 2021	682.00	NA	NA	NA
10.	Star Health and Allied Insurance Company Ltd (1)	64,004.39	890.00	December 10,2021	845.00	NA	NA	NA

Source: www.nseindia.com

Notes:

** The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days isa trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.*

** The Nifty 50 index is considered as the Benchmark Index*

1. *Price for eligible employee was Rs 810.00 per equity share*
2. *Price for eligible employee was Rs 621.00 per equity share*
3. *Price for eligible employee was Rs 795.00 per equity share*
4. *Price for eligible employee was Rs 291.00 per equity share*

Summary statement of price information of past public issues handled by SBI Capital Markets Limited:

Financial Year	Total no. of IPOs #	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22*	10	2,17,814.28	-	-	4	1	2	1	-	-	-	1	-	2
2020-21	7	1,05,087.00	-	-	5	-	2	-	-	1	3	-	2	1
2019-20	3	138,283.86	-	1	1	1	-	-	1	-	-	1	-	1

** The information is as on the date of this Offer Document.*

 # Date of Listing for the issue is used to determine which financial year that particular issue falls into

Track record of past issues handled by the BRLM

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the BRLM as set forth in the table below:

S. No.	Name of the BRLM	Website
1.	Equirus Capital Private Limited	www.equirus.com
2.	SBI Capital Markets Limited	www.sbicaps.com

Stock market data of the Equity Shares

As the Offer is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a minimum period of eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs or the Registrar to the Offer, in the manner provided below.

All grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, where the Bid cum Application Form was submitted, quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than RIIs bidding through the UPI mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of RIIs applying through the UPI mechanism in which the amount equivalent to the Bid Amount is blocked. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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

The Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013, SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 and SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021, in relation to redressal of investor grievances through SCORES.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus. There are no investor complaint in relation to our Company pending as on the date of this Draft Red Herring Prospectus.

Our Company, the Selling Shareholders, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of investor grievances by our Company

Our Company estimate that the average time required by our Company and/or the Registrar to the Offer for the redressal of routine investor grievances shall be 15 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Poonam Sharma, our Company Secretary and Compliance Officer. For details, please see the section entitled "*General Information*" on page 63.

Further, our Board has constituted the Stakeholders Relationship Committee which is responsible for redressal of grievances of the security holders of our Company. For further information, please see the section entitled "*Our Management – Stakeholders Relationship Committee*" on page 209.

Disposal of investor grievances by listed Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company does not have a listed subsidiary.

Our Company or any of our Directors have not been declared as 'Fraudulent Borrowers' by the lending banks or financial institution or consortium, in terms of the Master Directions on "Frauds – Classification and Reporting by commercial banks and select FIs" dated July 1, 2016 issued by the Reserve Bank of India.

SECTION VII: OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued pursuant to the Offer are subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, the MoA, the AoA, the SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, the Bid cum Application Form, the Revision Form, the Abridged Prospectus and other terms and conditions as may be incorporated in the confirmation of allocation notes (for Anchor Investors), Allotment Advice and other documents and certificates that may be executed in respect of the Offer. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and offer for sale and listing and trading of securities, issued from time to time, by SEBI, Government of India, Stock Exchanges, the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority while granting approval for the Offer.

Ranking of the Equity Shares

The Equity Shares being offered and allotted in the Offer will be subject to the provisions of the Companies Act, SEBI Listing Regulations, the Memorandum of Association and the Articles of Association and will rank *pari passu* with the existing Equity Shares, including in respect of dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further information, please see the sections entitled "*Dividend Policy*" and "*Description of Equity Shares and Terms of the Articles of Association*" on pages 220 and 376, respectively.

Mode of Payment of Dividend

Our Company will pay dividend, if declared, to our equity shareholders, as per the provisions of the Companies Act, the SEBI Listing Regulations, our Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the Government of India in this respect.

All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, including pursuant to the Offer for Sale, for the entire year, in accordance with applicable law. For further information, please see the section entitled "*Dividend Policy*" and "*Description of Equity Shares and Terms of the Articles of Association*" on pages 220 and 376, respectively.

Face Value and Price Band

The face value of each Equity Share is ₹1. The Floor Price of the Equity Shares is ₹ [●] and the Cap Price of the Equity Shares is ₹ [●]. The Anchor Investor Offer Price is ₹ [●].

The Offer Price, Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and Selling Shareholders, in consultation with the Book Running Lead Managers, and advertised in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and regional edition of [●], a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges.

At any given point in time there will be only one denomination for the Equity Shares.

The Offer

The Offer comprises a Fresh Issue and an Offer for Sale by the Selling Shareholders.

Expenses for the Offer shall be shared amongst our Company and Selling Shareholders in the manner specified in "*Objects of the Offer - Offer Related Expenses*" on page 103.

Rights of the Equity Shareholders

Subject to applicable law and our Articles of Association, the equity Shareholders will have the following rights:

- Right to receive dividends, if declared.
- Right to attend general meetings and exercise voting powers, unless prohibited by law.
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act.
- Right to receive offers for rights shares and be allotted bonus shares, if announced.
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied.
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law.
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 376.

Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Offer:

- Tripartite agreement dated November 29, 2021 amongst our Company, NSDL and Registrar to the Offer; and
- Tripartite agreement dated November 25, 2021 amongst our Company, CDSL and Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

Joint Holders

Subject to the provisions of the AoA, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Offer.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, read with the rules notified thereunder, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall 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/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by the Shareholder by nominating any other person in place of the present nominee, by giving a notice of such cancellation. 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 and Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by the Board, elect either:

(a) to register himself or herself as the holder of the Equity Shares; or

(b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

Withdrawal of the Offer

Our Company and Selling Shareholders, in consultation with the Book Running Lead Managers, reserves the right not to proceed with the Fresh Issue, and the Selling Shareholders reserve the right not to proceed with the Offer for Sale, in whole or in part thereof, after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The Book Running Lead Managers, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank (in case of RIIs using the UPI Mechanism), to unblock the bank accounts of the ASBA Bidders and the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed. In terms of the UPI Circulars, in relation to the Offer, the Book Running Lead Managers will submit reports of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, 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/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) filing of the Prospectus with the RoC. If our Company, or the Selling Shareholders, in consultation with the Book Running Lead Managers withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Bid/Offer Programme

BID/OFFER OPENS ON	**[●]** (1)
BID/OFFER CLOSES ON	**[●]** (2)

(1) *Our Company and Selling Shareholders, in consultation with the Book Running Lead Managers, may consider participation by Anchor Investors. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.*

(2) *Our Company and Selling Shareholders, in consultation with the Book Running Lead Managers, may consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

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

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

** In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking.*

The above timetable is indicative and does not constitute any obligation or liability on our Company or the Selling Shareholders or Book Running Lead Managers.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed, with reasonable support and co-operation of the Selling Shareholders, as may be required in respect of its Offered Shares, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company and Selling Shareholders in consultation with the Book Running Lead Managers, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirm that they shall extend such reasonable support and co-operation in relation to the Offered Shares for 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 Bid/ Offer Closing Date or such other period as may be prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of the Draft Red Herring Prospectus may result in changes to the above mentioned timelines. Further, the offer procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

a. until 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

b. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIIs.

On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders, after taking into account the total number of Bids received and as reported by the Book Running Lead Managers to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked in the relevant ASBA Account would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date Date and in any case no later than 1:00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids and revisions in Bids will be accepted only during Working Days. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid/Offer period. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

Our Company and Selling Shareholders, in consultation with the Book Running Lead Managers reserve the right to revise the Price Band during the Bid/Offer Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price will not be less than the face value of the Equity Shares. In all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the Book Running Lead Managers and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries.

Minimum Subscription

If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR or the minimum subscription of 90% of the Fresh Issue on the Bid/Offer Closing Date; or subscription level falls below aforesaid minimum subscription after the Bid/Offer Closing Date due to withdrawal of Bids or technical rejections or any other reason; or in case of devolvement of Underwriting, aforesaid minimum subscription is not received within 60 days from the date of Bid/Offer Closing Date or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Offer, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every Director of our Company, who are officers in default, shall pay interest at the rate of 15% per annum.

In the event of achieving aforesaid minimum subscription, however, there is under-subscription in achieving the total Offer size, the Equity Shares will be Allotted in the following order:

(i) such number of Equity Shares will first be Allotted by our Company such that 90% of the Fresh Issue portion is subscribed;

(ii) upon (i), all the Equity Shares held by the Selling Shareholders and offered for sale in the Offer for Sale will be Allotted (in proportion to the Offered Shares being offered by each Selling Shareholder); and

(iii) once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by our Company towards the balance 10% of the Fresh Issue portion;

No liability to make any payment of interest or expenses shall accrue to the Selling Shareholders 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 the Selling Shareholders and to the extent of its portion of the Offered Shares. Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

Arrangements for Disposal of Odd Lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Offer Equity Share capital of our Company, lock-in of our Promoters' minimum contribution under the SEBI ICDR Regulations and the Anchor Investor lock-in as provided in "*Capital Structure*", beginning on page 72 and except as provided under the AoA, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AoA. For details, see "*Description of Equity Shares and Terms of the Articles of Association*", beginning on page 376.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

OFFER STRUCTURE

Offer of up to [●] Equity Shares for cash at price of ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating to ₹[●] million comprising of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 1,000.00 million by our Company and an Offer for Sale of up to 30,113,918 Equity Shares aggregating up to ₹[●] million, comprising of up to 7,700,000 Equity Shares aggregating up to ₹[●] million by Arun Purushottam Kelkar; up to 6,136,000 Equity Shares aggregating up to ₹[●] million by Subhash Purushottam Kelkar; up to 1,500,000 Equity Shares aggregating up to ₹[●] million by Anuradha Arun Kelkar, up to 2,500,000 Equity Shares aggregating up to ₹[●] million by Nutan Subhash Kelkar, up to 12,204,250 equity shares aggregating up to ₹ [●] million by Somerset Indus Healthcare Fund I Limited and up to 73,668 equity shares aggregating up to ₹ [●] million by Mayur Sirdesai.

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

The face value of the Equity Shares is ₹ 1 each. The Offer is being made through the Book Building Process.

Particulars	QIBs (1)	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment/allocation (2)	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and RIIs	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Investors
Percentage of Offer size available for Allotment/allocation	Not more than 50% of the Offer size shall be available for allocation to QIBs. However 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB category (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion, if any, will be available for allocation to other QIBs	Not less than 15% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Investor will be available for allocation	Not less than 35% of the Offer or the Offer less allocation to QIB Bidders and Non-Institutional Investors will be available for allocation
Basis of Allotment if respective category is oversubscribed (3)	Proportionate as follows (excluding the Anchor Investor Portion): (a) [●] Equity Shares shall be allocated on a proportionate basis to Mutual Funds only and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price	Proportionate	The allotment to each RII shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, please see "*Offer Procedure*" beginning on page 357
Mode of Bidding	Through ASBA process only (except for Anchor Investors)		

Particulars	QIBs [1]	Non-Institutional Investors	Retail Individual Investors
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size Offer subject to applicable limits to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer, excluding QIB portion, subject to applicable limits to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares such that the Bid Amount does not exceed ₹200,000.
Mode of Allotment	Compulsorily in dematerialized form		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can Apply [4]	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual fund registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, state industrial development corporation, insurance companies registered with IRDAI, provident fund (subject to applicable law) with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, in accordance with applicable law and National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFC	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, FPIs who are individuals, corporate bodies and family offices which are classified as Category II FPIs and registered with SEBI such that the Bid Amount exceeds ₹ 200,000 in value.	Resident Indian Individuals, Eligible NRIs, HUF (in the name of *Karta*) applying for Equity Shares such that the Bid Amount does not exceed ₹ 2,00,000 in value.
Terms of Payment	**In case of Anchor Investors:** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids **In case of all other Bidders:** Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) including UPI ID in case of RIIs, that is specified in the ASBA Form at the time of submission of the ASBA Form		

(1) *Our Company and Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof will be permitted, subject to minimum allotment of ₹ 50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100 million. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. For further information, please see the section entitled "Offer Procedure" on page 357.*

(2) *Subject to valid Bids being received at or above the Offer Price. The Offer is being made in accordance with Rule 19(2)(b) of the SCRR and under Regulation 6(1) of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company and Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Category. 5% of the QIB Category (excluding the Anchor Investor Portion), shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Category (excluding the Anchor Investor Portion), the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining the QIB Category (excluding the Anchor Investor Portion) for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.*

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Category or the Retail Category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange in accordance with applicable law. However, under-subscription, if any, in the QIB Category will not be allowed to be met with spill-over from other categories or a combination of categories. In terms of Rule 19(2)(b) of the SCRR, the Equity Shares issued in this Offer shall aggregate to at least such percentage of the post-Offer Equity Share capital of our Company (calculated at Offer Price) that will be at least ₹ [●] million. In case of an under subscription in the Offer, after meeting the minimum subscription requirement of 90% of the Fresh Issue, the balance subscription in the Offer will be first met through the Equity Shares offered pursuant to the Offer for Sale on a pro-rata basis in a manner proportionate to the respective portion of the Offered Shares of each Selling Shareholder and subsequently, the balance part of the Fresh Issue.

(3) *Assuming full subscription in the Offer.*

(4) *In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.*

(5) *In case the Anchor Investor Allocation Price is lower than the Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them. For further information on terms of payment applicable to Anchor Investors, please see the section entitled "Offer Procedure – Payment into Anchor Investor Escrow Account" on page 371.*

Bidders will confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares, the Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

The Bids by FPIs with certain structures as described under the section "*Offer Procedure*" on page 357 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, would be allowed to be met with spill over from any other category or combination of categorises at the discretion of our Company, in consultation with the Managers and the Designated Stock Exchange, on a proportionate basis.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the SEBI UPI Circulars (the "**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by RIIs through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) Category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Bidders/Applicants; (v) Issuance of CAN and allotment in the Offer; (vi) General instructions (limited to instructions for completing the Bid Form); (vii) Submission of Bid cum Application Form; (viii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) disposal of application (x) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (xi) mode of making refunds; (xii) Designated Date; (xiii) interest in case of delay in Allotment or refund and (xiii) disposal of application.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by Riis through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIIs ("**UPI Phase III**"), as may be prescribed by SEBI. The Offer 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 and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, have introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. These circulars, to the extent already in force, are deemed to form part of this Draft Red Herring Prospectus.*

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/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Our Company, the Selling Shareholders and the BRLMs 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 Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Further, our Company, Selling Shareholders and the members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company and Selling Shareholders in consultation with the BRLMs, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories

In accordance with Rule 19(2)(b) of the SCRR, the Offer will constitute at least [●]% of the post Offer paid-up Equity Share capital of our Company. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Phased implementation of Unified Payments Interface

SEBI has issued the SEBI UPI Circulars in relation to streamlining the process of public issue of inter alia equity shares. Pursuant to the SEBI UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIIs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the SEBI UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days.

All SCSBs offering the facility of making application in public issues shall also provide facility to make application using

UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of the Retail Individual Investors using the UPI.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism was be released to the remitter banks (SCSBs) only after such banks provided a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Electronic registration of Bids

(a) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Offer.

(b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchanges' Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com) at least one day prior to the Bid/Offer Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the SEBI UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(iii) QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

Anchor Investors are not permitted to participate in the Offer through the ASBA process. For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLMs.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	**Colour of Bid cum Application Form***
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis^	[●]
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis^	[●]
Anchor Investors**	[●]

* *Excluding electronic Bid cum Application Forms*
***Bid cum Application Forms for Anchor Investors will be made available at the office of the BRLMs.*
^*Electronic Bid cum Application forms will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com)*

The relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges. For RIIs using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds.

In case of ASBA forms, the relevant Designated Intermediaries shall capture and upload the relevant bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges.

For RIIs Bidding using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs, for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, RIIs Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

For ASBA Forms (other than RIIs Bidding using UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

The Equity Shares have not been, and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S and the applicable laws of each jurisdictions where such offers and sales are made. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Participation by the BRLMs, the Syndicate Members and their associates and affiliates

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their respective underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLMs nor any associate of the BRLMs can apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the BRLMs;

(ii) insurance companies promoted by entities which are associate of the BRLMs;

(iii) AIFs sponsored by the entities which are associate of the BRLMs;

(iv) FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the BRLMs; or

(v) Person related to Promoter and the members of the Promoter Group.

Further, an Anchor Investor shall be deemed to be an "associate of the BRLM" if:

(i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or

(ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or

(iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

The Promoters and the members of the Promoter Group will not participate in the Offer, except to the extent of the Offer for Sale.

Participation by the Promoter, Promoter Group, the BRLMs, associates and affiliates of the BRLMs and the Syndicate Members and the persons related to Promoter, Promoter Group, BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds, AIFs or FPIs other than individuals, corporate bodies and family offices sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs, no BRLMs or its respective associates can apply in the Offer under the Anchor Investor Portion. Further, an Anchor Investor shall be deemed to be an "associate of the BRLM" if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

Further, the Promoter and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer, except in accordance with the applicable law. Furthermore, persons related to the Promoter and the Promoter Group shall not apply in the Offer under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders' agreement or voting agreement entered into with any of the Promoter or members of the Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoter or Promoter Group of our Company.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company and Selling Shareholders reserves the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its 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, exchange traded funds, or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of our Company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRIs bidding on a repatriation basis by using the Non-Resident forms should authorise their SCSB to block their Non-Resident External ("**NRE**") accounts (including UPI ID, if activated), or Foreign Currency Non- Resident ("**FCNR**") accounts, and Eligible NRIs bidding on a non-repatriation basis by using resident forms should authorise their SCSB to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules. Only bids accompanied by payment in Indian rupees or fully convertible foreign exchange will be considered for allotment. By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment.

For details of restrictions on investment by NRIs, please see the section entitled "*Restrictions on Foreign Ownership of Indian Securities*" on page 375.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids by HUFs may be considered at par with Bids from individuals.

Bids by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, the issue of Equity Shares to a single FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer Equity Share capital total paid-up Equity Share capital on a fully diluted basis.

If the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company and Selling Shareholders, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([•] in colour).

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager ("**MIM**") structure
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager
- Multiple branches in different jurisdictions of foreign bank registered as FPIs
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, 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 in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

(a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Further, Bids received from FPIs bearing the same PAN will be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI (Foreign Portfolio Investors) Regulations, 2019 (such structure "**MIM Structure**") provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids will be rejected. For further details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 375.

Participation of FPIs in the Offer shall be subject to the FEMA Rules, amended from time to time.

Bids by SEBI registered VCFs, AIFs and FVCIs

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended ("**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs.

Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations, inter alia, prescribe the investment restrictions on FVCIs registered with SEBI.

The holding in any company by any individual VCF registered with SEBI should not exceed 25% of the corpus of the VCF. Further, FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings. Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. However, large value funds for accredited investors of Category I AIFs and Category II AIFs may invest up to 50% of the investible funds in an investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. However, large value funds for accredited investors of Category III AIFs may invest up to 20% of the investible funds in an investee company. Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA Rules, amended from time to time.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholders or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with BRLMs and the Selling Shareholders, reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholders, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholders, in consultation with the BRLMs reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds with minimum corpus of ₹ 250 million, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholders, in consultation with the BRLMs reserve the right to reject any Bid, without assigning any reason thereof.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholders, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

The information set out above is given for the benefit of the Bidders. Our Company, the Selling Shareholders, and the BRLMs are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250.00 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250.00 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and the reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason hereof.

Our Company and Selling Shareholders in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and Selling Shareholders in consultation with the BRLMs, may deem fit.

Bids by Anchor Investors

(a) In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100.00 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100.00 million.

(c) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, and will be completed on the same day.

(e) Our Company and Selling Shareholders, in consultation with the BRLMs may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than:

 (i) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100.00 million;

 (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100.00 million but up to ₹ 2,500.00 million, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor; and

 (iii) in case of allocation above ₹ 2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500.00 million, and an additional 10 Anchor Investors for every additional ₹ 2,500.00 million, subject to minimum Allotment of ₹ 50.00 million per Anchor Investor.

(f) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor Pay-In Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

(i) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

(j) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs) shall apply in the Offer under the Anchor Investor Portion.

(k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

General Instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIIs can revise their Bid(s) during the Bid/Offer Period and withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bid/Offer Period.

Do's:

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) and PAN in the Bid cum Application Form;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time;

6. RIIs Bidding in the Offer shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for RIIs using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;

8. Ensure that your PAN is linked with Aadhaar and is in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021;

9. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;

10. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

11. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

14. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

15. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

16. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;

17. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

18. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for RIIs bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for RIIs bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for RIIs bidding through UPI mechanism) and PAN available in the Depository database;

19. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http:// www.sebi.gov.in);

20. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid. In case of RIIs Bidding through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

21. Ensure that the Demographic Details are updated, true and correct in all respects;

22. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer;

23. Bidders (except RIIs Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIIs, once the Sponsor Bank issues the Mandate Request, the RIIs would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request to authorise the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

24. Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, a RII Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the RII Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;

25. RIIs bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;

26. RIIs using the UPI Mechanism who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner;

27. Bids by Eligible NRIs HUFs and any individuals, corporate bodies and family offices which are recategorised as Category II FPI and registered with SEBI for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Offer; and

28. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid Lot;

2. Do not submit a Bid using UPI ID, if you are not an RIB;

3. Do not Bid for a Bid Amount exceeding ₹ 200,000 for Bids by Retail Individual Investors;

4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;

5. Do not Bid/revise the Bid amount to less than the floor price or higher than the cap price;

6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

10. Do not submit the Bid for an amount more than funds available in your ASBA account;

11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

12. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

13. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Red Herring Prospectus;

15. Do not Bid for Equity Shares more than specified by the respective Stock Exchanges for each category;

16. In case of ASBA Bidders (other than RIIs using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;

17. If you are RII and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

18. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;

19. Anchor Investors should not bid through the ASBA process;

20. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;

21. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

22. Do not submit the GIR number instead of the PAN;

23. Anchor Investors should submit Anchor Investor Application Form only to the BRLMs;

24. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;

25. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Offer Closing Date;

26. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Investors can revise or

withdraw their Bids on or before the Bid/Offer Closing Date;

27. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are RII and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;

28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a RII Bidding through the UPI Mechanism. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Offer;

29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;

30. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by RIIs using the UPI Mechanism;

31. RIIs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected;

32. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIIs Bidding using the UPI Mechanism; and

33. Do not Bid if you are an OCB.

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 the Company Secretary and Compliance Officer, please see the section entitled "*General Information*" on page 63.

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date by the intermediary SCSB responsible for causing such delay in unblocking. The post Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked

For helpline details of the BRLMs pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see "*General Information –Book Running Lead Managers*" on page 65.

Grounds for Technical Rejections

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bid submitted without instruction to the SCSB to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank

account UPI ID;

5. Bids by HUFs not mentioned correctly as provided in - “Who can Apply?”

6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

7. Bids submitted without the signature of the First Bidder or Sole Bidder;

8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;

10. GIR number furnished instead of PAN;

11. Bids by Retail Individual Bidders with Bid Amount for a value of more than ₹ 200,000;

12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

13. Bids accompanied by cheque(s), demand draft(s), stock invest, money order, postal order or cash; And 14. Bids by OCB.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the BRLMs and the Registrar to the Offer, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make 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. Further, upon oversubscription, an allotment of not more than 1% of the Offer to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the RIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each RII shall not be less than the minimum bid lot, subject to the availability of shares in RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Anchor Investor Escrow Account

Our Company and Selling Shareholders, in consultation with the BRLMs will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: “[●]”

(b) In case of Non-Resident Anchor Investors: “[●]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of [●], an English national daily newspaper; (ii) all editions of [●], a Hindi national daily newspaper; and (iii) regional edition of [●], a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation.

In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

Our Company, the Book Running Lead Managers and the Registrar shall publish an advertisement in relation to Allotment before commencement of trading, disclosing the date of commencement of trading of the Equity Shares, in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, each with wide circulation.

The above information is given for the benefit of the Bidders/applicants. Our Company, the Selling Shareholders and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and Filing with the RoC

(a) Our Company, the Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which would then be termed as the Prospectus. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447.

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5.00 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders (including Anchor Investor Application Form from Anchor Investors);

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI;

- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;

- it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer, except for fees or commission for services rendered in relation to the Offer;

- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- If our Company and Selling Shareholders in consultation with the Book Running Lead Managers withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Undertakings by the Selling Shareholders

Each of the Selling Shareholders undertake the following in respect of itself and its respective portion of the Offered Shares:

- the Equity Shares offered by it in the Offer for Sale are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations and shall be in dematerialized form at the time of transfer;

- are the legal and beneficial owner of, and has clear and marketable title to, the Equity Shares which are offered by it pursuant to the Offer for Sale;

- it shall not offer, lend, pledge, charge, transfer or otherwise encumber, sell, dispose any of the Offered Shares until such time that the lock-in (if applicable) remains effective save and except as may be permitted under the SEBI ICDR Regulations;

- it shall provide reasonable assistance to our Company and the Book Running Lead Managers in redressal of such investor grievances in relation to the Offered Shares and statements specifically made or confirmed by it in relation to itself as a Selling Shareholders;

- shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;

- it shall provide reasonable cooperation to our Company in relation to the Offered Shares, (a) for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges, and/ or (b) refund orders (if applicable); and

- it shall not have recourse to the proceeds of the Offer until final listing and approval for trading of the Equity Shares from the Stock Exchanges has been received.

The decisions with respect to the Price Band, the minimum Bid lot, revision of Price Band, Offer Price will be taken by our Company and Selling Shareholders in consultation with the Book Running Lead Managers. The Offer Price will be decided by our Company and Selling Shareholders in consultation with the Book Running Lead Managers, on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus.

Only the statements and undertakings in relation to the Selling Shareholders and the Offered Shares which are specifically "confirmed" or "undertaken" by it in this Draft Red Herring Prospectus, shall be deemed to be "statements and undertakings specifically confirmed or undertaken" by the Selling Shareholders. All other statements and/ or undertakings in this Draft Red Herring Prospectus shall be statements and undertakings made by our Company even if the same relates to the Selling Shareholders.

Utilisation of Offer Proceeds

Our Board certifies that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act;

- details of all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991, 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 responsibility of granting approval for foreign investment under the Consolidated FDI Policy (defined herein below) and FEMA has been entrusted to the concerned ministries / departments.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the "**Consolidated FDI Policy**"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The 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.

Under the current FDI Policy, 100% foreign direct investment is permitted in manufacturing sector, 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 foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the nonresident shareholding is within the sectoral limits under the Consolidated FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For details, see "*Offer Procedure*" on page 357.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Rules, any investment, subscription, purchase or sale of equity instruments by entities, investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. 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. 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 in writing about such approval along with a copy thereof within the Offer Period.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "*Offer Procedure – Bids= by Eligible NRIs*" and "*Offer Procedure – Bids by FPIs*" on page 362.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments, modification, or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for which do not exceed the applicable limits under laws and regulations.

SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

The Articles of the Company comprise of two parts, Part A and Part B, which shall be applicable in the following manner:

b. Till the time of listing and trading of equity shares of the Company on a recognised stock exchange in India, Part A and Part B shall, unless the context otherwise requires, co-exist with each other. Notwithstanding anything contained herein, in the event of any conflict between the provisions of Part A and Part B of these Articles, the provisions of Parts B of these Articles shall prevail.

c. Part B shall automatically terminate, be deleted and cease to have any force and effect upon the listing of equity shares of the Company proposed to be transferred/ issued pursuant to an initial public offering of the equity shares of the Company on a recognised stock exchange in India, without any further action by the Company, the Board of Directors or by the Shareholders.

PART A

1.(1)	The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.	Table 'F' not to apply
(2)	The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.	Company to be governed by these Articles
Definitions and Interpretation		
2.(1)	In these Articles —	
	(a) "**Act**" means the Companies Act, 2013 (including the relevant rules framed thereunder) or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.	"Act"
	(b) "**Applicable Laws**" means all applicable statutes, laws, ordinances, rules and regulations, judgments, notifications circulars, orders, decrees, bye-laws, guidelines, or any decision, or determination, or any interpretation, policy or administration, having the force of law, including but not limited to, any authorization by any authority, in each case as in effect from time to time	"Applicable Laws"
	(c) "**Articles**" means these articles of association of the Company or as altered from time to time.	"Articles"
	(d) "**Board of Directors**" or "**Board**", means the collective body of the Directors of the Company nominated and appointed from time to time in accordance with Articles 84 to 90, herein, as may be applicable.	"Board of Directors" or "Board"
	(e) "**Company**" means **Hexagon Nutrition Limited**	"Company"
	(f) "**Lien**" means any mortgage, pledge, charge, assignment, hypothecation, security interest, title retention, preferential right, option (including call commitment), trust arrangement, any voting rights, right of set-off, counterclaim or banker's lien, privilege or priority of any kind having the effect of security, any designation of loss payees or beneficiaries or any similar arrangement under or with respect to any insurance policy;	"Lien"
	(g) "**Rules**" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.	"Rules"
	(h) "**Memorandum**" means the memorandum of association of the Company or as altered from time to time.	"Memorandum"
(2)	Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.	"Number" and "Gender"

(3)	Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be.	Expressions in the Articles to bear the same meaning as in the Act
Share capital and variation of rights		
3.	The authorized share capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in Clause V of Memorandum of Association with power to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division.	Authorized share capital
4.	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 Board 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 (subject to the compliance with the provision of section 53 of the Act) and at such time as they may from time to time think fit provided that the option or right to call for shares shall not be given to any person or persons without the sanction of the Company in the general meeting.	Shares under control of Board
5.	Subject to the provisions of the Act, these Articles and with the sanction of the Company in the general meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board think fit, the Board may issue, allot or otherwise dispose shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be, provided that the option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the general meeting.	Board may allot shares otherwise than for cash
5A	The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other Applicable Laws: (a) Equity Share capital: (i) with voting rights; and / or (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and (b) Preference share capital	Kinds of share capital
6.(1)	Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission, sub-division, consolidation or renewal of shares or within such other period as the conditions of issue shall provide – (a) one or more certificates in marketable lots for all his shares of each class or denomination registered in his name without payment of any charges; or (b) several certificates, each for one or more of his shares, upon payment of Rupees Twenty for each certificate or such charges as may be fixed by the Board for each certificate after the first.	Issue of certificate
(2)	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 the person first named on the register of members shall be sufficient delivery to all such holders.	Issue of share certificate in case of joint holding
(3)	Every certificate shall specify the shares to which it relates, distinctive	Option to receive share

	numbers of shares in respect of which it is issued and the amount paid-up thereon and shall be in such form as the Board may prescribe and approve.	certificate or hold shares with depository
7.	A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time, or any statutory modification thereto or re-enactment thereof. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share. The Company shall also maintain a register and index of beneficial owners in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in dematerialized form in any medium as may be permitted by law including in any form of electronic medium.	Option to receive share certificate or hold shares with depository
8.	If any 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 Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees not less than Rupees twenty and not more than Rupees fifty for each certificate as may be fixed by the Board. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above, the Board shall comply with such rules or regulations or requirements of any stock exchange or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act,1956 or any other act, or rules applicable thereof in this behalf.	Issue of new certificate in place of one defaced, lost or destroyed
8A	Except as required by Applicable Laws, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these Articles or by Applicable Laws) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.	
8B	Subject to the applicable provisions of the Act and other Applicable Laws, any debentures, debenture-stock or other securities may be issued at a premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at a general meeting, appointment of nominee directors, etc. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a general meeting by special resolution.	Terms of issue of debentures
9.	The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.	Provisions as to issue of certificates to apply mutatis mutandis to debentures, etc.
10. (1)	The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or	Power to pay commission in connection with securities issued

		agreed to be paid shall be disclosed in the manner required by the Act and the Rules.	
	(2)	The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.	Rate of commission in accordance with Rules
	(3)	The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.	Mode of payment of commission
11. (1)		If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.	Variation of members' rights
	(2)	To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply.	Provisions as to general meetings to apply mutatis mutandis to each Meeting
12.		The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.	Issue of further shares not to affect rights of existing members
13.		Subject to section 55 and other provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.	Power to issue redeemable preference shares
14. (1)		Where at any time, the Company proposes to increase its subscribed capital by issue of further shares, either out of the unissued capital or the increased share capital, such shares shall be offered: to persons who, at the date of offer, are holders of Equity Shares of the Company, in proportion as near as circumstances admit, to the share capital paid up on those shares by sending a letter of offer on the following conditions : - the aforesaid offer shall be made by a notice specifying the number of shares offered and limiting a time prescribed under the Act from the date of the offer within which the offer, if not accepted, will be deemed to have been declined the aforementioned offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice mentioned in sub-Article (i), above shall contain a statement of this right; and after the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the Company; or to employees under any scheme of employees' stock option, subject to a special resolution passed by the Company and subject to the conditions as specified under the Act and Rules thereunder; or to any persons, if it is authorized by a special resolution passed by the Company in a General Meeting, whether or not those persons include the persons referred to in clause (a) or clause (b) above, either for cash or for consideration other than cash, subject to applicable provisions of the Act and Rules thereunder.	Further issue of share capital

	The notice referred to in sub-clause (i) of sub-Article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Members at least 3 (three) days before the opening of the issue. The provisions contained in this Article shall be subject to the provisions of the section 42 and section 62 of the Act, the rules thereunder and other applicable provisions of the Act.	
(2)	Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debenture or loans into shares in the Company. Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debenture or the raising of loan by a special resolution passed by the Company in general meeting.	
(3)	A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.	Mode of further issue of shares
15. (1)	The Company shall have a first and paramount Lien – (a) on every share (not being a fully paid share) and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and (b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company: Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article. Provided further that Company's lien, if any, on such partly paid shares, shall be restricted to money called or payable at a fixed price in respect of such shares.	Company's lien on shares
(2)	The Company's Lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.	Lien to extend to dividends, etc.
(3)	Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's Lien.	Waiver of Lien in case of registration
16.	The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a Lien: Provided that no sale shall be made— (a) unless a sum in respect of which the Lien exists is presently payable; or (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the Lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.	As to enforcing Lien by sale
17. (1)	To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.	Validity of sale
(2)	The purchaser shall be registered as the holder of the shares comprised in any such transfer.	Purchaser to be registered holder
(3)	The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a	Validity of Company's receipt

	good title to the share and the purchaser shall be registered as the holder of the share.	
(4)	The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale	Purchaser not affected
18. (1)	The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the Lien exists as is presently payable.	Application of proceeds of sale
(2)	The residue, if any, shall, subject to a like Lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.	Payment of residual money
19.	The provisions of these Articles relating to Lien shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to Lien to apply mutatis mutandis to debentures, etc.
Calls on shares		
20. (1)	The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.	Board may make Calls
(2)	Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.	Notice of call
(3)	A call may be revoked or postponed at the discretion of the Board	Revocation or postponement of call
21.	A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.	Call to take effect from date of resolution
22.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	Liability of joint holders of shares
23. (1)	If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.	When interest on call or instalment payable
(2)	The Board shall be at liberty to waive payment of any such interest wholly or in part.	Board may waive interest
24. (1)	Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.	Sums deemed to be calls
(2)	In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.	Effect of nonpayment of sums
25.	The Board – (a) may, if it thinks fit, subject to the provisions of the Act, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him. The Directors may at any time repay the amount so advanced.	Payment in anticipation of calls may carry interest
26.	If by the conditions of allotment of any shares, the whole or part of the	Installments on shares to be

	amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.	duly paid
27.	All calls shall be made on a uniform basis on all shares falling under the same class. Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.	Calls on shares of same class to be on uniform basis
28.	The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to calls to apply mutatis mutandis to debentures, etc.
Transfer of shares		
29. (1)	A common form of transfer shall be used and the instrument of transfer of any share in the Company shall be in writing which shall be duly executed by or on behalf of both the transferor and transferee and all provisions of section 56 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.	Instrument of transfer to be executed by transferor and transferee
(2)	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.	
30.	The Board may, subject to the right of appeal conferred by the section 58 of the Act decline to register – (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or (b) any transfer of shares on which the Company has a Lien. The registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.	Board may refuse to register transfer
31.	The Board may decline to recognize any instrument of transfer unless- (a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under sub-section (1) of section 56 of the Act; (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (c) the instrument of transfer is in respect of only one class of shares. The registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.	Board may decline to recognize instrument of transfer
32.	On giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty five days in the aggregate in any year.	Transfer of shares when suspended
33A	Subject to the provisions of sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Applicable Laws for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or any other Applicable Laws	Notice of refusal to register transfer

	to register the transfer of, or the transmission by operation of Applicable Laws of the right to, any shares or interest of a member in or debentures of the Company. The Company shall within one (1) month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, or such other period as may be prescribed, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that, subject to provisions of Article 32, the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever. Transfer of shares/debentures in whatever lot shall not be refused.	
34	The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to transfer of shares to apply mutatis mutandis to debentures, etc.
Transmission of shares		
35. (1)	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.	Title to shares on death of a member
(2)	Nothing in clause (1) 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.	Estate of deceased member liable
36. (1)	Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time 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.	Transmission Clause
(2)	The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.	Board's right unaffected
37. (1)	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.	Right to election of holder of share
(2)	If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.	Manner of testifying election
(3)	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.	Limitations applicable to notice
38.	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.	Claimant to be entitled to same advantage
39.	The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of	Provisions as to transmission to apply

		the Company	mutatis mutandis to debentures, etc.
39A		No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document	No fee for transfer or transmission
Forfeiture of shares			
40.		If a member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.	If call or instalment not paid notice must be given
41.		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.	Form of Notice
42.		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.	In default of payment of shares to be forfeited
43.		When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members.	Entry of forfeiture in register of members
44.		The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.	Effect of forfeiture
45. (1)		A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit.	Forfeited shares may be sold, etc.
	(2)	At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	Cancellation of forfeiture
46. (1)		A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.	Members still liable to pay money owing at the time of forfeiture
(2)		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.	Cesser of liability
47. (1)		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;	Certificate of forfeiture
(2)		The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;	Title of purchaser and transferee of forfeited shares
	(3)	The transferee shall thereupon be registered as the holder of the share; and	Transferee to be registered as holder
	(4)	The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-	Transferee not affected

	allotment or disposal of the share.	
48.	Upon any sale after forfeiture or for enforcing a Lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	Validity of sales
49.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	Cancellation of share certificate in respect of forfeited shares
50.	The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	Surrender of share certificates
51.	The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	Sums deemed to be calls
52.	The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to forfeiture of shares to apply mutatis mutandis to debentures, etc.
Alteration of capital		
53.	Subject to the provisions of the Act, the Company may, by ordinary resolution - (a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient; (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares: Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act; (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum; (e) 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.	Power to alter share capital
54.	Where shares are converted into stock: (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose; (b) the holders of stock shall, according to the amount of stock held by	Right of stockholders

	them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage; (c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "**share**" and "**shareholder**"/ "**member**" shall include "**stock**" and "**stock-holder**" respectively.	
55.	The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, — (a) its share capital; and/or (b) any capital redemption reserve account; and/or (c) any securities premium account; and/or (d) any other reserve in the nature of share capital.	Reduction of capital
56.	Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:	Joint holders
	(a) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.	Liability of Joint holders
	(b) On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Board may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.	Death of one or more joint-holders
	(c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.	Receipt of one Sufficient
	(d) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.	Delivery of certificate and giving of notice to first named holder
	(e) (i) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof.	Vote of joint holders
	(ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.	Executors or administrators as joint holders
	(f) The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.	Provisions as to joint holders as to shares to apply mutatis mutandis to debentures, etc.
Capitalization of profits		
57. (1)	The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve —	Capitalization

	(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.	
(2)	The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards: (A) paying up any amounts for the time being unpaid on any shares held by such members respectively; (B) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B).	Sum how applied
(3)	A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;	
(4)	The Board shall give effect to the resolution passed by the Company in pursuance of these Article.	
58. (1)	Whenever such a resolution as aforesaid shall have been passed, the Board shall – (a) make all appropriations and applications of the amounts resolved to be capitalized thereby, and all allotments and issues of fully paid shares or other securities, if any; and (b) generally do all acts and things required to give effect thereto.	Powers of the Board for capitalization
(2)	The Board shall have power— (a) to make such provisions, by the issue of fractional certificates/coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and (b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.	Board's power to issue fractional certificate/ coupon etc.
(3)	Any agreement made under such authority shall be effective and binding on such members.	Agreement binding on members
Buy-back of shares		
59.	Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other Applicable Laws for the time being in force, the Company may purchase its own shares or other specified securities.	Buy-back of shares
General meetings		
60.	All general meetings other than annual general meeting shall be called extraordinary general meeting.	Extraordinary general meeting

61.	The Board may, whenever it thinks fit, call an extraordinary general meeting.	Powers of Board to call extraordinary general meeting
Proceedings at general meetings		
62.	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.	Presence of Quorum
63.	No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.	Business confined to election of Chairperson whilst chair vacant
64.	The quorum for a general meeting shall be as provided in the Act.	Quorum for general meeting
65.	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall, by poll or electronically, choose one of their members to be Chairperson of the meeting.	Members to elect a Chairperson
66.	On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.	Casting vote of Chairperson at general meeting
67. (1)	The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.	Minutes of proceedings of meetings and resolutions passed by postal ballot
(2)	There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting – (a) is, or could reasonably be regarded, as defamatory of any person; or (b) is irrelevant or immaterial to the proceedings; or (c) is detrimental to the interests of the Company.	Certain matters not to be included in Minutes
(3)	The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.	Discretion of Chairperson in relation to Minutes
(4)	The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.	Minutes to be Evidence
68. (1)	The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall: (a) be kept at the registered office of the Company; and (b) be open to inspection of any member without charge, during business hours on all working days.	Inspection of minute books of general meeting
(2)	Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above.	Members may obtain copy of minutes
Adjournment of meeting		
69. (1)	The Chairperson may, suo motu, adjourn the meeting from time to time and from place to place.	Chairperson may adjourn the meeting
(2)	No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.	Business at adjourned meeting
(3)	When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.	Notice of adjourned meeting
	Save as aforesaid, and save as provided in the Act, it shall not be necessary	Notice of adjourned

(4)	to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	meeting not required
Voting rights		
70.	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.	Entitlement to vote on show of hands and on poll
71.	A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.	Voting through electronic means
72. (1)	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.	Vote of joint holders
(2)	For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Seniority of names
73.	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. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.	How members non compos mentis and minor may vote
74.	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	Business may proceed pending poll
75.	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 or in regard to which the Company has exercised any right of Lien.	Restriction on voting rights
76.	A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.	Restriction on exercise of voting rights in other cases to be void
77.	Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.	Equal rights of members
Proxy		
78. (1)	Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.	Member may vote in person or otherwise
(2)	The instrument appointing a proxy and the power-of attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.	Proxies when to be deposited
79.	An instrument appointing a proxy shall be in the form as prescribed in the Rules.	Form of proxy
80.	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.	Proxy to be valid notwithstanding death of the principal
Board of Directors		
81.	Unless otherwise determined by the Company in general meeting, the	Board of Directors

	number of directors shall not be less than 3 (three) and shall not be more than fifteen (fifteen).	
81A	The Directors shall not be required to hold any qualification shares in the Company.	
82 (1)	The Board of Directors shall appoint the Chairperson of the Company. The same individual may, at the same time, be appointed as the Chairperson as well as the Managing Director of the Company.	Chairperson and Managing Director
(2)	The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.	Directors not liable to retire by rotation
83. (1)	The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.	Remuneration of Directors
(2)	The remuneration payable to the directors, including manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting.	Remuneration to require members' consent
(3)	In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them— (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or (b) in connection with the business of the Company.	Travelling and other expenses
(4)	Subject to the provisions of these Articles and the provisions of the Act, the Board may, decide to pay a Director out of funds of the Company by way of sitting fees, within the ceiling prescribed under the Act, a sum to be determined by the Board for each meeting of the Board or any committee or sub-committee thereof attended by him in addition to his traveling, boarding and lodging and other expenses incurred	Sitting Fees
APPOINTMENT AND REMUNERATION OF DIRECTORS		
84.	Subject to the provisions of the Act and these Articles, the Board of Directors, may from time to time, appoint one or more of the Directors to be Managing Director or Managing Directors or other whole-time Director(s) of the Company, for a term not exceeding five years at a time and may, from time to time, (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places and the remuneration of Managing or Whole-Time Director(s) by way of salary and commission shall be in accordance with the relevant provisions of the Act.	Appointment
84	Subject to the provisions of the Act, the Board shall appoint Independent Directors, who shall have appropriate experience and qualifications to hold a position of this nature on the Board.	Independent Director
85.	Subject to the provisions of section 196, 197 and 188 read with Schedule V to the Act, the Directors shall be paid such further remuneration, whether in the form of monthly payment or by a percentage of profit or otherwise, as the Company in General meeting may, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and in such manner as the Board may, from time to time, determine and in default of such determination shall be divided among the Directors equally or if so determined paid on a monthly basis.	Remuneration
86.	Subject to the provisions of these Articles, and the provisions of the Act, if any Director, being willing, shall be called upon to perform extra service or to make any special exertions in going or residing away from the place of his normal residence for any of the purposes of the Company or has given any special attendance for any business of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may	Payment for Extra Service

		be determined by the Director	
87.		All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	Execution of negotiable instruments
88. (1)		Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.	Appointment of additional directors
	(2)	Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.	Duration of office of additional director
89. (1)		The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.	Appointment of alternate director
	(2)	An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India	Duration of office of alternate director
	(3)	If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.	Re-appointment provisions applicable to Original Director
90. (1)		If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.	Appointment of director to fill a casual vacancy
	(2)	The director so appointed shall hold office only up to the date upto which the director in whose place he is appointed would have held office if it had not been vacated.	Duration of office of Director appointed to fill casual vacancy
Powers of Board			
91.		The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the Memorandum or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other Applicable Laws and of the Memorandum and these Articles and to any regulations, not being inconsistent with the Memorandum and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.	General powers of the Company vested in Board
Proceedings of the Board			
92. (1)		The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. Provided, that the Board of Directors shall hold meetings at least once in every three months and at least four times every calendar year.	When meeting to be convened
	(2)	The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.	Who may summon Board meeting
	(3)	The quorum for a Board meeting shall be as provided in the Act.	Quorum for Board meetings
	(4)	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under	Participation at Board meetings

		Applicable Laws.	
	(5)	At least 7 (seven) Days' written notice shall be given in writing to every Director by hand delivery or by speed-post or by registered post or by facsimile or by email or by any other electronic means, either (i) in writing, or (ii) by fax, e-mail or other approved electronic communication, receipt of which shall be confirmed in writing as soon as is reasonably practicable, to each Director, setting out the agenda for the meeting in reasonable detail and attaching the relevant papers to be discussed at the meeting and all available data and information relating to matters to be discussed at the meeting except as otherwise agreed in writing by all the Directors.	Notice of Board meetings
93. (1)		Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.	Questions at Board meeting how decided
	(2)	In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.	Casting vote of Chairperson at Board meeting
94.		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.	Directors not to act when number falls below minimum
95. (1)		The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.	Who to preside at meetings of the Board
(2)		If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting	Directors to elect a Chairperson
96. (1)		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.	Delegation of powers
	(2)	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.	Committee to conform to Board regulations
	(3)	The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under Applicable Laws.	Participation at Committee meetings
97. (1)		A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.	Chairperson of Committee
	(2)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Who to preside at meetings of Committee
98. (1)		A Committee may meet and adjourn as it thinks fit.	Committee to meet
(2)		Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.	Questions at Committee meeting how decided
(3)		In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.	Casting vote of Chairperson at Committee meeting
99.		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 or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	Acts of Board or Committee valid notwithstanding defect of appointment
100.		Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of 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	Passing of resolution by Circulation

	effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.	
Chief Executive Officer, Manager, Company Secretary and Chief Financial Officer		
101. (a)	Subject to the provisions of the Act, - A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.	Chief Executive Officer, etc.
(b)	A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.	Director may be chief executive officer, etc.
Registers		
102.	The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during business hours on all working days, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.	Statutory registers
103. (a)	The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.	Foreign register
(b)	The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.	
Dividends and Reserve		
104.	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.	Company in general meeting may declare dividends
105.	Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.	Interim dividends
106. (1)	The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.	Dividends only to be paid out of profits
(2)	The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	Carry forward of Profits
107. (1)	Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.	Division of profits
(2)	No amount paid or credited as paid on a share in advance of calls shall be	Payments in advance

	treated for the purposes of this Article as paid on the share.	
(3)	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	Dividends to be apportioned
108. (1)	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.	No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom
(2)	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	Retention of dividends
109. (1)	Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.	Dividend how remitted
(2)	Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	Instrument of Payment
(3)	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	Discharge to Company
110.	Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.	Receipt of one holder sufficient
111.	No dividend shall bear interest against the Company.	No interest on dividends
112.	The waiver in whole or in part of any dividend on any share by any document shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.	Waiver of dividends
UNPAID OR UNCLAIMED DIVIDEND		
113. (1)	Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall, within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed, to a special account to be opened by the Company in that behalf in any scheduled bank subject to the applicable provisions of the Act and the Rules made thereunder.	Transfer of unclaimed dividend
(2)	Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under section 125 of the Act. Any person claiming to be entitled to an amount may apply to the authority constituted by the Central Government for the payment of the money claimed.	Transfer to IEPF Account
(3)	No unclaimed or unpaid dividend shall be forfeited by the Board until the claim becomes barred by Applicable Laws.	Forfeiture of unclaimed dividend
Accounts		
114. (1)	The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.	Inspection by Directors
(2)	No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except	Restriction on inspection by members

	as conferred by Applicable Laws or authorized by the Board.	
Winding up		
115.	Subject to the applicable provisions of the Act and the Rules made thereunder –	Winding up of Company
(a)	If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.	
(b)	For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.	
(c)	The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
Indemnity and Insurance		
116. (a)	Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.	Directors and officers right to indemnity
(b)	Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.	
(c)	The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.	Insurance
General Power		
117.	Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided. At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (the "**Listing Regulations**"), the provisions of the Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Listing Regulations, from time to time.	General power

PART B

Part B of the Articles of Association of the Company provides for the rights and obligations of the parties to the Shareholders Agreement.

In case of inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall, subject to applicable law, prevail and be applicable. However, Part B shall automatically terminate and cease to have any force and effect from the date of listing of Equity Shares of the Company on a recognized stock exchange in India pursuant to the Offer and the provisions of Part A shall continue to be in effect and be in force, without any further corporate or other action, by the Company or by its shareholders.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus/ Prospectus which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days and will also be available online at www.hexagonnutrition.com from date of the Red Herring Prospectus until the Bid/Offer Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material Contracts for the Offer

(a) Offer Agreement dated December 23, 2021 between our Company, Selling Shareholders and the Book Running Lead Managers.

(b) Registrar Agreement dated December 17, 2021 between our Company, Selling Shareholders and the Registrar to the Offer.

(c) Cash Escrow and Sponsor Bank Agreement dated [●] between our Company, the Registrar to the Offer, the Book Running Lead Managers, the Syndicate Members and the Bankers to the Offer.

(d) Share Escrow Agreement dated [●] among our Company, the Selling Shareholders, and the Share Escrow Agent.

(e) Syndicate Agreement dated [●] between our Company, the Book Running Lead Managers and Registrar to the Offer and Syndicate Members.

(f) Underwriting Agreement dated [●] between our Company and the Underwriters.

(g) Monitoring Agency Agreement dated [●] between our Company and the Monitoring Agency.

B. Material Documents

(a) Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time;

(b) Certificate of incorporation dated May 27, 1993, issued by the RoC;

(c) Fresh certificate of incorporation dated January 10, 2006 issued by the RoC, consequent upon change from Hexagon Chemoils Private Limited to Hexagon Nutrition Private Limited.

(d) Fresh certificate of incorporation dated November 15, 2021, issued by RoC at the time of conversion from a private company into a public company;

(e) Resolutions of the Board of Directors dated December 7, 2021, in relation to the Offer;

(f) Shareholders' resolution dated December 7, 2021, in relation to this Offer;

(g) Resolutions of our Board and IPO Committee passed in their respective meetings held on December 22, 2021 and December 23, 2021 approving this Draft Red Herring Prospectus.

(h) Share Subscription Agreement and Shareholders' Agreement both dated November 8, 2016 by and amongst our Company, Arun Purushottam Kelkar, Subhash Purushottam Kelkar, Vikram Arun Kelkar, Dr. Nikhil Arun Kelkar, Anuradha Arun Kelkar and Aditya Kelkar Somerset Indus Healthcare Fund I Limited and Mayur Sirdesai and amendment agreement dated October 5, 2021 and December 7, 2021.

(i) Consent Letter from Arun Purushottam Kelkar, Subhash Purushottam Kelkar, Anuradha Arun Kelkar and Nutan Subhash Kelkar dated December 17, 2021 in relation to the Offer for Sale for the portion of the Equity Shares offered by him.

(j) Consent Letter from Somerset Indus Healthcare Fund I Limited and Mayur Sirdesai, dated December 17, 2021, and the resolution passed at the meetings of its board of directors held on December 17, 2021, in relation to the Offer for Sale for the portion of the Equity Shares offered by it.

(k) The examination report dated December 7, 2021, of our Statutory Auditors on our Restated Consolidated Financial Statements, included in this Draft Red Herring Prospectus;

(l) The statement of possible tax benefits dated December 21, 2021, from Bhuwania & Agarwal Associates, the Statutory Auditors;

(m) Due diligence certificate dated December 23, 2021, addressed to the SEBI from the BRLMs;

(n) In principle listing approvals dated [●] and [●] issued by BSE and NSE, respectively;

(o) Consent of the Directors, the BRLMs, the Syndicate Members, the Legal Counsel to our Company, Legal Counsel to the BRLMs as to Indian Law, Legal Counsel to the Investor Selling Shareholders, the Registrar to the Offer, the Escrow Collection Bank(s), Refund Banks(s), Sponsor Bank, Public Offer Account Bank, the Bankers to our Company, the Company Secretary and Compliance Officer and the Chief Financial Officer, to act in their respective capacities;

(p) Consent of the Statutory Auditors, Bhuwania & Agarwal Associates, Chartered Accountants, to include their name in this Draft Red Herring Prospectus and as an "*Expert*" defined under Section 2(38) of the Companies Act, 2013, read with Section 26 of the Companies Act, 2013, in respect of the reports of the Auditors on the Restated Consolidated Financial Statements dated December 7, 2021, and the statement of possible tax benefits dated December 21, 2021, included in this Draft Red Herring Prospectus;

(q) Consent of C Ravi Shankar, Chartered Engineer dated December 15, 2021 to include his name in this DRHP.

(r) Consent from GIRACT dated December 3, 2021, to include contents or any part thereof from their report titled "*Strategic Market Assessment of nutrition and food fortification 2021-2026*" dated December 2, 2021, in this Draft Red Herring Prospectus;

(s) Industry report dated December 2, 2021, titled "*Strategic Market Assessment of nutrition and food fortification 2021-2026*", prepared by GIRACT, commissioned by our Company, which is available on the website of our Company at www.hexagonnutrition.com.

(t) Consent from CARE Advisory Research and Training Limited dated December 21, 2021, to include contents or any part thereof from their report titled "Industry Research Report on Food Premix Sector in India" dated December, 2021, in this Draft Red Herring Prospectus;

(u) Industry report dated December, 2021, titled "Industry Research Report on Food Premix Sector in India", prepared by CARE Advisory Research and Training Limited, commissioned by our Company, which is available on the website of our Company at www.hexagonnutrition .com.

(v) Tripartite agreement dated November 29, 2021, between our Company, NSDL and the Registrar to the Offer;

(w) Tripartite agreement dated November 25, 2021, between our Company, CDSL and the Registrar to the Offer;

(x) SEBI's observation letter number [●] dated [●];

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Arun Purushottam Kelkar
Chairman and Executive Director

Place: Mumbai
Date: December 23, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Subhash Purushottam Kelkar
Executive Director

Place: Nashik
Date: December 23, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Vikram Arun Kelkar
Managing Director

Place: Mumbai
Date: December 23, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Dr. Nikhil Arun Kelkar
Joint Managing Director

Place: Mumbai
Date: December 23, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Aditya Subhash Kelkar
Executive Director

Place: Nashik
Date: December 23, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Chandra Prakash Jain
Independent Director

Place: Ahmedabad
Date: December 23, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Neeraj Katare
Independent Director

Place: Mumbai
Date: December 23, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Sunil Sudhakarrao Deshmukh
Independent Director

Place: Pune
Date: December 23, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Ashlesha Ashok Parchure
Independent Director

Place: Mumbai
Date: December 23, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Aparna Sharma
Independent Director

Place: Mumbai
Date: December 23, 2021

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

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Guman Mal Jain
Chief Financial officer

Place: Mumbai
Date: December 23, 2021

DECLARATION BY SOMERSET INDUS HEALTHCARE FUND I LIMITED, AS A SELLING SHAREHOLDER

Somerset Indus Healthcare Fund I Limited, acting as a Selling Shareholder, hereby certify and confirm that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus in relation to itself, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. Somerset Indus Healthcare Fund I Limited assume no responsibility, as a Selling Shareholder, for any other statements, including statements, disclosures, and undertakings, including any of the statements made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Name: Avinash Kenkare
Authorised Signatory
Somerset Indus Healthcare Fund I Limited
Place:Gnynedd Valley, PA
Date: December 23, 2021

DECLARATION BY MAYUR SIRDESAI, AS A SELLING SHAREHOLDER

I, Mayur Sirdesai, acting as a Selling Shareholder, hereby certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus in relation to myself, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, including statements, disclosures, and undertakings, including any of the statements made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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Name: **Mayur Sirdesai**

Place: Mumbai
Date: December 23, 2021

DECLARATION BY ARUN PURUSHOTTAM KELKAR, AS A SELLING SHAREHOLDER

I, Arun Purushottam Kelkar, acting as a Selling Shareholder, hereby certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus in relation to myself, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, including statements, disclosures, and undertakings, including any of the statements made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Name: Arun Purushottam Kelkar

Place: Mumbai
Date: December 23, 2021

DECLARATION BY SUBHASH PURUSHOTTAM KELKAR, AS A SELLING SHAREHOLDER

I, Subhash Purushottam Kelkar, acting as a Selling Shareholder, hereby certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus in relation to myself, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, including statements, disclosures, and undertakings, including any of the statements made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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Name: Subhash Purushottam Kelkar

Place: Nashik
Date: December 23, 2021

DECLARATION BY ANURADHA ARUN KELKAR, AS A SELLING SHAREHOLDER

I, Anuradha Arun Kelkar, acting as a Selling Shareholder, hereby certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus in relation to myself, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, including statements, disclosures, and undertakings, including any of the statements made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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Name: Anuradha Arun Kelkar

Place: Mumbai
Date: December 23, 2021

DECLARATION BY NUTAN SUBHASH KELKAR, AS A SELLING SHAREHOLDER

I, Nutan Subhash Kelkar, acting as a Selling Shareholder, hereby certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus in relation to myself, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility, as a Selling Shareholder, for any other statements, including statements, disclosures, and undertakings, including any of the statements made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

Name: Nutan Subhash Kelkar

Place: Nashik
Date: December 23, 2021