



AVYUKTA DAIRY PRODUCTS LIMITED

Our Company was originally incorporated as "Avyukta dairy Products Private Limited" on September 23, 2016 at Delhi as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated September 23, 2016 issued by the Registrar of Companies, Delhi. Consequent upon the conversion of our Company to public limited Company, the name of our Company has been changed to "Avyukta Dairy Products Limited" vide fresh Certificate of Incorporation dated July 09, 2021 issued by the Registrar of Companies, Delhi. For further details of Incorporation, change of name and registered office of our Company, please refer to chapter titled "General Information" and "Our History and Corporate Structure" beginning on page 54 and page 138 respectively of this Draft Prospectus.

Corporate Identification Number: U74999DL2016PLC306343
Registered Office: BB-17 Greater Kailash Enclave-II, New Delhi, South Delhi - 110048
Tel: 011-35594832
Email id: info@avyuktadairy.com **Website:** www.avyuktadairy.com
Contact Person: Ms. Nisha Singh, Company Secretary & Compliance Officer
PROMOTER OF OUR COMPANY: MS. ANJANI MITTAL

THE ISSUE	
<p>INITIAL PUBLIC ISSUE OF 8,28,000 EQUITY SHARES OF A FACE VALUE OF RS. 10/- EACH (THE "EQUITY SHARES") OF AVYUKTA DAIRY PRODUCTS LIMITED ("OUR COMPANY" OR "AVYUKTA" OR "ADPL" OR "THE ISSUER") FOR CASH AT A PRICE OF RS. 43/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. 33/- PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING TO RS. 356.04 LAKHS ("THE ISSUE") OF WHICH 42,000 EQUITY SHARES AT AN ISSUE PRICE OF RS. 43 PER EQUITY SHARE AGGREGATING TO RS. 18.06 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 7,86,000 EQUITY SHARES OF FACE VALUE OF RS. 10.00 EACH AT AN ISSUE PRICE OF RS. 43 PER EQUITY SHARE AGGREGATING TO RS. 337.98 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.92% and 25.56%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.</p> <p>THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI (ICDR) REGULATIONS"), AS AMENDED. IN TERMS OF RULE 19(2)(b)(i) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN ISSUE FOR AT LEAST 25% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253 OF THE SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS, PLEASE REFER CHAPTER TITLED "ISSUE PROCEDURE" BEGINNING ON PAGE 220.</p> <p>In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 220. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.</p> <p>THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH AND THE ISSUE PRICE IS RS. 43. THE ISSUE PRICE IS 4.30 TIMES OF THE FACE VALUE.</p>	
ELIGIBLE INVESTORS	
For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on page 220.	
RISK IN RELATION TO THE FIRST ISSUE	
This being the first public issue of the Issuer, there has been no formal market for the securities of our Company. The face value of the Equity Shares of our Company is Rs. 10 and the Issue price of Rs. 43 per Equity Share. The Issue Price (has been determined and justified by our Company in consultation with the Lead Manager, as stated under chapter titled "Basis for Issue Price" beginning on page 94) 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 or regarding the price at which the Equity Shares will be traded after listing.	
GENERAL RISKS	
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 26.	
ISSUER'S ABSOLUTE RESPONSIBILITY	
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.	
LISTING	
The Equity Shares offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE") in terms of the Chapter IX of the SEBI (ICDR) Regulations, as amended from time to time. Our Company has received an approval letter dated [●] from BSE Limited ("BSE") for using its name in the Offer Document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited.	
LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
<p>NAVIGANT CORPORATE ADVISORS LIMITED 423, A Wing, Bonanza, Sahar Plaza Complex, J B Nagar, Andheri Kurla Road, Andheri East, Mumbai-400 059 Tel No. +91-22-41204837/49735078 Email Id: navigant@navigantcorp.com Investor Grievance Email: info@navigantcorp.com Website: www.navigantcorp.com SEBI Registration Number: INM000012243 Contact Person: Mr. Sarthak Vijlani</p>	<p>MAS SERVICES LTD. T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110020, Tel No.: +91-11-26387281/82/83 Fax No.: +91-11-26387384 E-mail ID: info@masserv.com Website: www.masserv.com Contact Person: Mr. Sharwan Mangla SEBI Registration No: INR000000049</p>
ISSUE PROGRAMME	
ISSUE OPENS ON: [●]	ISSUE CLOSES ON: [●]

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, 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 Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI (ICDR) Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.

Notwithstanding the foregoing, terms used in of the sections “Statement of Tax Benefits”, “Financial Information of the Company”, “Main Provisions of Articles of Association”, “Basis for Issue Price”, “Our History and Corporate Structure”, “Other Regulatory and Statutory Disclosures” and “Outstanding Litigation and Material Developments” beginning on pages 97, 160, 252, 94, 138, 201 and 191 respectively, shall have the meaning ascribed to such terms in the relevant section.

GENERAL TERMS:

TERMS	DESCRIPTION
“ADPL” “the Company”, “our Company” “Avyukta” and “Avyukta Dairy Products Limited”	Avyukta Dairy Products Limited, a Company incorporated in India under the Companies Act, 2013 having its Registered office at BB-17 Greater Kailash Enclave-II, New Delhi, South Delhi - 110048
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company
“you”, “your” or “yours”	Prospective investors in this Issue
Our Promoter(s)	Ms. Anjani Mittal
Promoters Group	Companies, Individuals and Entities (other than Companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the Section titled “Our Promoters and Promoters Group” beginning on page 154 of this Draft Prospectus.

COMPANY RELATED TERMS:

TERMS	DESCRIPTION
AOA/Articles/ Articles of Association	Articles of Association of Avyukta Dairy Products Limited as amended from time to time
Associate Companies	A body corporate in which any other company has a significant influence, but which is not a subsidiary of the company having such influence and includes a joint venture company.
Auditors/ Statutory Auditors / Peer Review Auditors	M/s. PAN & Co., Chartered Accountants
Audit Committee	The Committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013. For further details, please refer chapter titled “Our Management” beginning on page 143.
Banker to the Issue	Oriental Bank of Commerce, H-15, Connaught Circus, New Delhi - 110001



AVYUKTA DAIRY PRODUCTS LIMITED

TERMS	DESCRIPTION
Board of Directors / the Board / our Board	The Board of Directors of Avyukta Dairy Products Limited, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “Our Management” beginning on page 143 of this Draft Prospectus.
CMD	Chairman and Managing Director
CIN	Corporate Identification Number.
Chief Financial Officer	The Chief Financial Officer of our Company being Mr. Avdhesh Mittal.
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Ms. Nisha Singh.
Depositories Act	The Depositories Act, 2018, as amended from time to time.
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
DIN	Directors Identification Number.
Director(s) / our Directors	The Director(s) of our Company, unless otherwise specified.
ED	Executive Director
Equity Shares	Equity Shares of the Company of Face Value of Rs. 10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of our Company.
GIR Numbers	General Index Registry Number.
Group Companies/ Group Company	The word “group companies”, shall include such companies (other than promoter (s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board of the issuer as disclosed in “Our Group company” on page 200 of this Draft Prospectus.
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards
Independent Director	A Non- executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number. In this case being - INE0IBJ01012
IT Act	The Income Tax Act, 1961 as amended till date
Key Management Personnel/ KMP	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled “Our Management” on page 143 of this Draft Prospectus.
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
MD	Managing Director
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on 23 rd August, 2021, in accordance with the requirements of the SEBI (ICDR) Regulations
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Avyukta Dairy Products Limited as amended from time to time.
Nomination and Remuneration Committee	The Nomination and Remuneration committee of our Board constituted in accordance with the Companies Act, 2013.
Non- Executive Director	A Director not being an Executive Director or an Independent Director



AVYUKTA DAIRY PRODUCTS LIMITED

TERMS	DESCRIPTION
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office	BB-17 Greater Kailash Enclave-II, New Delhi, South Delhi - 110048
Reserve Bank of India/RBI	Reserve Bank of India constituted under the RBI Act.
Restated Financial Information	The restated audited financial statements of our Company, which comprises of the restated audited balance sheet, the restated audited profit and loss information and restated audited cash flow information, for the years ended March 31, 2021, 2020 & 2019 together with the annexure and notes thereto as disclosed in Section titled “Financial Statements” beginning on page 160 of this Draft Prospectus.
RoC/ Registrar of Companies	Registrar of Companies, Delhi
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (ICDR) Regulations /ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Listing Regulations, 2015 / SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985.
Stakeholder’s Relationship Committee	Stakeholder’s relationship committee of our Company constituted in accordance with the Companies Act, 2013
Stock Exchange	Unless the context requires otherwise, refers to, BSE Limited
Sub- Account	Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Subscriber to MOA	Initial Subscribers to MOA & AOA being Mr. Mohd Tawish and Mr. Vikram Vaid.
WTD	Whole-time Director

ISSUE RELATED TERMS:

Terms	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the retail individual investors and other than retail individual investors, including corporate bodies or institutions.
Allotment/ Allot/ Allotted	Issue an allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Applicants.
Allottee(s)	Successful Applicants to whom Equity Shares are being/have been allotted.
Applicant	A prospective investor who makes an application for Equity Shares of our Company in terms of the Prospectus and Application forms.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Draft Prospectus.
Application Form	The Form (with and without the use of UPI, as may be applicable), in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
Application Supported by Blocked Amount/ ASBA	An application (whether physical or electronic) used by an ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified bank account maintained with such SCSB including the bank account linked with UPI ID.
ASBA Account	A bank account linked with or without UPI ID, Account maintained with an SCSB and specified in the Application Form for blocking the Application Amount mentioned in the ASBA Form.
ASBA Investor/ ASBA Applicant	Any prospective investor(s)/applicants(s) in this Issue who apply (ies) through the ASBA process in terms of the Draft Prospectus.
Bankers to the Issue/ Sponsor Bank/ Public Issue Bank/Refund Bank	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being Kotak Mahindra Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful ASBA Applicants under the Issue and which is described under the chapter titled "Issue Procedure" beginning on page 220.
Broker Centers	Broker Centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such Broker Centre's, along with the name and contact details of the Registered Brokers, are available on the website of the BSE on the following link www.bseindia.com
Broker to the Issue	All recognized members of the stock exchange would be eligible to act as the Broker to the Issue.
BSE SME	The SME platform of BSE Limited, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter IX of the SEBI ICDR Regulations.
CAN or Confirmation of Allocation Note	The note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of	Such branches of the SCSBs which co-ordinate applications under this Issue by

Terms	Description
the SCSBs	the ASBA Applicants with the Lead Manager, Registrar to the Issue and the Stock Exchange and a list of which is available at https://www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details.
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time, being NSDL and CDSL.
Depository Participant	A Depository Participant as defined under the Depositories Act, 2018.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e. www.bseindia.com
Designated Date	The date on which the instructions are given to the SCSBs to unblock the ASBA Accounts including the accounts linked with UPI ID and transfer the amounts blocked by SCSBs as the case may be, to the Public Issue Account in terms of the Draft Prospectus and the aforesaid transfer and instructions shall be issued only after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange
Designated Intermediaries/ Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and Share Transfer Agent (RTA) (whose names is mentioned on website of the Stock Exchange as eligible for this activity)
Designated Market Maker/ Market Maker	Member Brokers of BSE who are specifically registered as Market Makers with BSE SME Platform. In our case [●] is the Market Maker.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange, i.e. www.bseindia.com
Designated Stock Exchange	BSE Limited
DP	Depository Participant
DP ID	Depository Participant's Identity number
Draft Prospectus	The Draft Prospectus dated 23 rd August, 2021 filed with the SME Platform of BSE Limited and SEBI in accordance with SEBI (ICDR) Regulations.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened dematerialized accounts with SEBI registered qualified depository participants as QFIs and are deemed as FPIs under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Electronic Transfer of Funds	Refunds through ECS, NEFT, NACH, Direct Credit or RTGS as applicable
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
FII/ Foreign Institutional	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional



AVYUKTA DAIRY PRODUCTS LIMITED

Terms	Description
Investor	Investors) Regulations, 1995, as amended) registered with SEBI under applicable law in India.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
General Corporate Purpose	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document/GID	The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by the SEBI and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018.
Issue/Offer/Issue Size/ Initial Public Issue / Initial Public Offer/Initial Public Offering/ Initial Public Offering/ IPO	Public Issue of 8,28,000 Equity Shares of face value of Rs.10 each fully paid of the Company for cash at a price of Rs. 43 per Equity Share (including a premium of Rs. 33 per Equity Share) aggregating to Rs. 356.04 Lakhs.
Issue Agreement	The agreement dated 23 rd August, 2021 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Opening Date	The date on which Issue opens for subscription. In this case being [●].
Issue Closing Date	The date on which Issue closes for subscription. In this case being [●].
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application.
Issue Price	The price at which the Equity Shares are being issued by our Company under the Draft Prospectus being Rs. 43 per Equity Share of face value of Rs.10 each fully paid up.
Issue Proceeds	Proceeds from the fresh Issue that will be available to our Company, being Rs. 356.04 Lakhs.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and BSE Limited (BSE).
Lead Manager	Manager to the Issue, in this case being Navigant Corporate Advisors Limited, a SEBI Registered Category -I Merchant Banker.
Market Maker	Member Brokers of BSE who are specifically registered as Market Makers with the BSE SME Platform. In our case [●] is the sole Market Maker.
Market Making Agreement	Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
Market Maker Reservation Portion	The Reserved Portion of 42,000 Equity Shares of face value of Rs.10 each fully paid for cash at a price of Rs. 43 per Equity Share aggregating Rs. 18.06 Lacs for



AVYUKTA DAIRY PRODUCTS LIMITED

Terms	Description
	the Market Maker in this Issue.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
NCAL	Navigant Corporate Advisors Limited
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 7,86,000 Equity Shares of face value of Rs.10 each fully paid for cash at a price of Rs. 43 Equity Share aggregating to Rs. 337.98 Lakhs by our Company.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page 88.
Non-Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than Rs. 2,00,000.
OCB/ Overseas Corporate Body	A Company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Other Investor(s)	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus/Offer Document	This Prospectus dated [●] to be filed with RoC containing, inter-alia, the issue opening and closing dates and other information in accordance with Section 26 of the Companies Act, 2013.
Public Issue Account(s)	Account(s) opened with the Public Issue Bank/Banker for the Issue.
Public Issue Account Agreement	Public Issue Account Agreement dated [●] entered into by our Company, the Registrar to the Issue, the Lead Manager, Sponsor Bank and the Public Issue Bank to the Issue for collection of the Application Amounts.
Qualified Institutional Buyers or QIBs	Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations.
Registered Broker(s)	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub- Syndicate Members) who hold valid membership of BSE Limited having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on www.bseindia.com .
Registrar / Registrar to the Issue	Registrar to the Issue, in this case being Mas Services Ltd.
Registrar Agreement	The agreement dated 23 rd August, 2021 entered by our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and Share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no.



AVYUKTA DAIRY PRODUCTS LIMITED

Terms	Description
	CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Regulations/SEBI Regulations/ SEBI(ICDR) Regulations/ SEBI ICDR Regulations/ SEBI ICDR Regulations 2018	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their Karta) and ASBA Applicants, who apply for an amount less than or equal to Rs. 2,00,000.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s).
SEBI SAST / SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI LODR/SEBI (Listing Obligations and Disclosure Requirement) Regulations/ Listing Regulations/ SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement), Regulations 2015, as amended from time to time.
SME Exchange/ SME Platform	SME Platform of BSE Limited
SEBI(PFUTP) Regulations/PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National Payments Corporation of India) in order to push the mandate, collect requests and / or payment instructions of the Retail Investors into the UPI.
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board
Transaction Registration Slip / TRS	The slip or document issued by SCSB (only on demand) to the Applicant as proof of registration of the Application.
Underwriter	Underwriter in this case being Navigant Corporate Advisors Limited



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Terms	Description
Underwriting Agreement	The agreement dated [●] entered into between the Underwriter and our Company.
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request / Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended from time to time
Working Day	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in Mumbai are open for business. However, in respect of- a) announcement of Price Band; and b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; c) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI

INDUSTRY RELATED TERMS/TECHNICAL TERMS:

TERMS	DESCRIPTION
Bar	Unit of metric pressure
CBM	Continuous butter making
CIP	Cleaning in place
FSSA	Food Safety and Standards Act, 2006
FSSAI	Food Safety and Standards Authority of India
Gms	Grams
GPRS	General packet radio service
Kilowatt	A measure of 1,000 watts of electrical power
Kgs	Kilograms
MCC	Motor control centers
ML	Millilitre
MTPD	Metric tonnes per day
MLPD	Million litres per day
LDPE	Low Density Poly Ethylene
PCB	Pollution Control Board
PLC	Programmable logic controller systems
SKUs	Stock keeping units
SNF	Solid not fat
SMP	Skimmed milk powder
SCADA System	Supervisory control and data acquisition system

TERMS	DESCRIPTION
UNBS	Uganda National Bureau of Standards
UHT	Ultra high temperature processing
VAPs	Value added products
VFD	Variable frequency drives
VLCCs	Village Level Collection Centres
VBMS	Vendor Business Management System
VPN	Virtual Private Network
WEO	World Economic Outlook
WPI	Wholesale Price Index
WTO	World Trade Organisations

ABBREVIATIONS:

ABBREVIATION	FULL FORM
A/C	Account
AGM	Annual General Meeting
AIF	Alternative Investments Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
Amt / AMT	Amount
AS/ Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment Year
AoA	Articles of Association
Approx.	Approximately
ASBA	Application Supported by Blocked Amount
BIFR	Board for Industrial and Financial Reconstruction
Bn	Billion
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CMD	Chairman and Managing Director
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections).
Companies Act	The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections
Competition Act	The Competition Act, 2002
Consolidated FDI Policy	Consolidated FDI Policy with effect from August 28, 2017 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
CS	Company Secretary
CSR	Corporate Social Responsibility
CST	Central Sales Tax
Depositories	NSDL (National Securities Depository Limited) and CDSL (Central Depository

ABBREVIATION	FULL FORM
	Services Limited); Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time
Depositories Act	The Depositories Act, 2018, as amended from time to time.
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion)
DP	Depository Participant
DP ID	Depository Participant 's Identity
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECS	Electronic Clearing Services
EGM/EOGM	Extra-Ordinary General Meeting
EPS	Earnings Per Share
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
EXIM/EXIM Policy	Export-Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FII(s)	Foreign Institutional Investors, as defined under the FII Regulations
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FIs	Financial Institutions
FPI(s)	Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
FV	Face Value
F.Y./FY/Fiscal	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GoI/ Government	Government of India
GST	Goods and Services Tax
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
ICMAI	The Institute of Cost Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IIP	Index of Industrial Production
IMF	International Monetary Fund

ABBREVIATION	FULL FORM
Indian GAAP	Generally Accepted Accounting Principles in India
INR/Rs. /Rupees/₹	Indian National Rupee
Income Tax Act or the I.T. Act	The Income Tax Act, 1961
IPO	Initial Public Offering
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016.
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT Authorities	Income Tax Authorities
Key Managerial Personnel/KMP	Key Managerial Personnel
LM	Lead Manager
Ltd.	Limited
MAPIN	Market Participants and Investors Database
MICR	Magnetic Ink Character Recognition
Mn	Million
MoA	Memorandum of Association
MoU	Memorandum of Understanding
Mtr	Meter
N.A.	Not Applicable
NACH	National Automatic Clearing House
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid-up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NPV	Net Present Value
NR	Non-Resident
NRI	Non-Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
p.a.	per annum
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
POA	Power of Attorney
Pvt.	Private
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended

ABBREVIATION	FULL FORM
ROE	Return on Equity
R&D	Research & Development
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956 as amended.
SCRR	Securities Contracts (Regulation) Rules, 1957 as amended.
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 2015, as amended.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
SEBI (PFUTP) Regulations / PFUTP Regulations	Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003
SEBI Regulations/ SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
SEBI Takeover Regulations / Takeover Regulations/ Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Sq. mtr	Square Meter
TAN	Tax Deduction Account Number
u/s	Under Section
UIN	Unique Identification Number
US/ States U.S./ USA/ United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S. Securities Act, 1933	U.S. Securities Act of 1933, as amended
UOI	Union of India
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.



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ABBREVIATION	FULL FORM
WDV	Written Down Value
w.e.f.	With effect from
WHO	World Health Organization
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1) (III) of the SEBI (ICDR) Regulations.
WTD	Whole-Time Director
YoY	Year over year

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

Certain Conventions

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

In this Draft Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Avyukta”, and “ADPL”, and, unless the context otherwise indicates or implies, refers to Avyukta Dairy Products Limited. In this Draft Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Draft Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Use of Financial Data

Unless stated otherwise, throughout this Draft Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Prospectus is derived from our financial statements prepared and restated for the financial year ended 31st March 2021, 2020 and 2019 and in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “**Financial Statements**” beginning on page 160 of this Draft Prospectus. Our Company has no subsidiaries. Accordingly, financial information relating to us is presented on Standalone basis. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

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

Any percentage amounts, as set forth in “**Risk Factors**”, “**Business Overview**”, “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” and elsewhere in the Draft Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled “**Financial Statements**” beginning on page 160 of this Draft Prospectus.

For additional definitions used in this Draft Prospectus, see the section “**Definitions and Abbreviations**” on page 2 of this Draft Prospectus. In the section titled “**Description of Equity shares and terms of the Articles of Association**”, on page 252 of the Draft Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

Use of Industry & Market Data

Unless stated otherwise, industry and market data and forecast used throughout the Draft Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained



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therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

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

In accordance with the SEBI (ICDR) Regulations, the section titled ***“Basis for Issue Price”*** on page 94 of the Draft Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.

Currency of Financial Presentation

All references to “Rupees” “Rs.” or “INR” or “₹” are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled ***“Industry Overview”*** throughout the Draft Prospectus all figures have been expressed in thousands, Lakhs/Lacs, Million and Crore.

Any percentage amounts, as set forth in ***“Risk Factors”***, ***“Our Business”***, ***“Management’s Discussion and Analysis of Financial Conditions and Results of Operation”*** on page 26, 111 and 182 in the Draft Prospectus, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

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

FORWARD LOOKING STATEMENTS

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

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

1. Changes in laws and regulations relating to the sectors/areas in which we operate;
2. General economic and business conditions in India and other countries;
3. Ability to retain the customers is heavily dependent upon various factors including our reputation and our ability to maintain a high level of quality of our product;
4. Dependence on our information technology systems;
5. We operate in a significantly fragmented and competitive market;
6. Our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks that have an impact on our business activities or investments;
7. Our ability to retain our key managements persons and other employees;
8. Our ability to grow our business;
9. Continuing impact of Covid-19 pandemic;
10. Changes in the value of the Rupee and other currencies;
11. The occurrence of pandemic, natural disasters or calamities; and
12. Change in political and social condition in India.

For further discussion of factors that could cause our actual results to differ, see the Section titled “**Risk Factors**”; “**Our Business**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” beginning on page 26, 111 and 182 respectively of the Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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



SECTION II - SUMMARY OF DRAFT OFFER DOCUMENT

PRIMARY BUSINESS OF THE COMPANY

We are engaged in manufacturing and marketing of dairy-based branded foods in India. We are an integrated milk Company in India with a focus to cater to institutional as well as retail customers. We have set up a manufacturing facility to produce fresh dairy products, including pasteurized milk, flavoured milk, sweetened condensed milk, ultra-pasteurised or ultra-high temperature (UHT) milk. Our Milk products are marketed under the mark “Aveena Milk products” which is owned by member of our Promoter Group Mr. Avdhesh Mittal who has allowed our Company to use the mark for business purpose.

Our processing facilities are strategically located at Tehsil, Survey No.-322, Village Bandipur, Murad Nagar, Modi Nagar, Uttar Pradesh-201206 having Milk processing unit/ Milk Chilling Centre of 1,50,000 Litres per day. However, Our Company is yet to start the commercial production at the plant completely and it is in the initial stage of start of production. As of July 31, 2021, we employed 22 (Twenty Two) personnel across our operations. We place significant emphasis on quality control and product safety at each step of the manufacturing process, right from the procurement of raw milk until the final product is packaged and ready for distribution. We have obtained several quality control certifications and registrations for our facilities.

Our integrated business model encompasses almost all aspects of the dairy industry value chain, including procurement of raw milk, and the production, supply and sale of a range of processed milk and dairy products. We believe that our integrated business model enables us to leverage the dairy industry value chain, ensure efficiency in costs and operating margins and exercise more control over the production process resulting in quality products.

We focus on our direct procurement model that enables to control costs and ensure quality of the raw milk procured by us.

For more details about the business of the company, please refer to Chapter titled “our business” on page 111 of this Draft Prospectus.

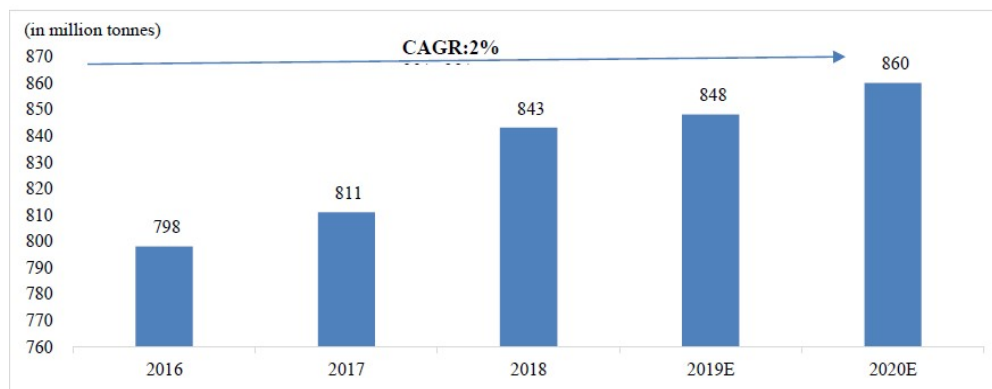
SUMMARY OF INDUSTRY IN WHICH THE COMPANY IS OPERATING

Overview of the Global dairy industry

Global milk production increased by 1.4% in 2020

Global milk output is estimated to have reached ~860 million tonnes in CY2020, up nearly ~1.4% from 2019. The growth is in account of increase in milk production in Asia, Europe and USA. In Asia, milk output is estimated to have reached ~362 million in 2020, up ~2% on-year as a result of expansions in India, Pakistan, China and Turkey. In Turkey & China, rising cattle numbers and operational efficiency are leading to higher output. In Japan, government price support provided during the early phase of Covid-19 market disruptions helped stabilize milk output. India, the largest milk producer in the world, is also estimated to have witnessed an increase in milk production underpinned by increase in dairy cattle and improved feed & fodder availability resulting from favourable monsoon (July - September 2020). In European Union and United States, the production is bolstered by yield improvements and government assistance.

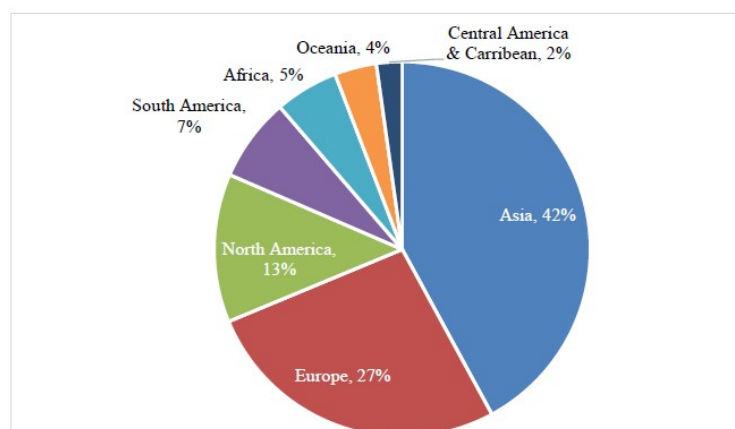
Trend in global milk production (in million tonnes)



Note: E: Estimated

Source: FAO, CRISIL Research

Worldwide regional share in total milk production (2020)



Source: FAO, CRISIL Research

Indian Dairy Industry Outlook 2022

The Indian Dairy Industry holds an inimitable space in the country for its high employment potential and for ensuring the availability of nutritious yet affordable food for India's ever increasing population. Getting the tag of largest milk producer was made possible by Operation Flood and the historic dairy cooperative movement; and as production increased, dairy industry started showing promising growth potential. Rising disposable incomes and growing demand for dairy products are likely to fuel the Indian dairy industry's growth over the next few years.

According to our latest research report, "Indian Dairy Industry Outlook 2022", with an annual output of 138 Million Tonnes, India is the largest producer of milk in the world. It is also one of the largest producers and consumers of dairy products. Indian dairy industry also offers good opportunities to both domestic and foreign investors for entry and expansion. Due to their rich nutritional qualities, dairy products' consumption has been growing exponentially in the country; and considering various facts and figures, the study anticipates that milk production in India will further grow at a CAGR of around 14% between 2015-16 and 2021-22.

Government is progressively taking initiatives to promote the dairy industry in India, in which inclination towards cattle breeding, clean milk production, dairy development, and feed fodder management are



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included. The Department of Animal Husbandry, NDDB, and other government affiliated institutions manage these initiatives in a constructive way. Utilizing the available resources for dairy industry to their full extent is the main objective behind these initiatives. The manner in which Dairy industry would enhance milk production and upgrade milk processing technologies, is also supervised by these departments.

Further, the report covers analysis of the primary dairy market and markets of its sub-segments like Liquid Milk, Yoghurt, Butter, Ghee, Paneer, Cheese, Dairy Whitener, Condensed Milk, Infant Formula, Ice Cream and Cream; and EXIM data of major dairy commodities extracted through intensive primary research and detailed secondary analysis. In addition, a detailed analysis of milk production and dairy potential by region has also been provided in the report. Recent government initiatives observed to support India's dairy sector has also been included in our research report. Moreover, the emerging trends & drivers, challenges, and opportunities have been described in-depth in the report. Synchronizing all the factors, our report presents a coherent and unbiased analysis of the performance of the Indian dairy industry.

(Source: <https://www.researchandmarkets.com/reports/3600465/indian-dairy-industry-outlook-2022>)

India is the largest milk producer in the world

India is the global leader in milk production, contributing ~30% of milk production in 2020. Top six milk-producing countries, viz., India, USA, China, Pakistan, Brazil and Germany, together contributed more than ~60% of the world's milk production. India's share in overall production increased to 25% in 2015 from 30% in 2020.

NAME OF PROMOTERS

The Promoter of our Company is Ms. Anjani Mittal. For detailed information about our Promoters and Promoters' Group, please refer to Chapter titled "Our Promoters and Promoter Group" on page 154 of this Draft Prospectus.

SIZE OF THE ISSUE

Our Company is proposing the Initial Public Issue of 8,28,000 Equity Shares of face value of Rs.10 each for cash at a price of Rs. 43/- per Equity Share including a Share Premium of Rs. 33/- per Equity Share (the "issue price") aggregating to Rs. 356.04 Lakhs ("the issue") of which 42,000 Equity Shares of face value of Rs. 10 each for cash at a price of Rs. 43/- per Equity Share including a Share Premium of Rs. 33/- per Equity Share aggregating to Rs. 18.06 Lakhs will be reserved for subscription by Market Maker to the issue (the "Market Maker Reservation Portion"). The issue less the Market Maker Reservation portion i.e. 7,86,000 Equity Shares of face value of Rs. 10 each at a price of Rs. 43/-per Equity Share including a Share Premium of Rs. 33/- per Equity Share aggregating to Rs. 337.98 lakhs is herein after referred to as the "net issue". The Issue and the Net Issue will constitute 26.92% and 25.56% respectively of the Post Issue Paid up Equity Share Capital of our Company.

OBJECT OF THE ISSUE

The details of proceeds of the Issue are set out in the following table:

Particulars	Estimated Amount (Rs.in Lakhs)
To part finance working capital requirements of the Company.	256.04
General Corporate Purpose	70.00
Issue related expenses	30.00
Gross Proceeds from the Issue	356.04

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For detailed information on the “Objects of the Issue”, please refer to section titled “Objects of the Issue” on page 88 of this Draft Prospectus.

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

Aggregate Pre-Issue Shareholding of the Promoter and Promoter as a percentage of the paid-up share capital of our Company.

Sr. No.	Name of share holder	No. of equity shares (Pre- issue)	As a % of Pre-issue Issued Capital*
Promoters			
1	Ms. Anjani Mittal	16,12,834	71.76
Total - A		16,12,834	71.76
Promoters' Group			
1	Mr. Avdhesh Mittal	89,700	3.99
2	M/s. Better Homes Buildtech Private Limited	4,44,600	19.78
Total - B		5,34,300	23.77
Total Promoters and Promoters' Group (A+B)		21,47,134	95.54

FINANCIAL DETAILS

Following are details as per the restated financial statements for past three years in tabular format:

(Rs. in Lakhs except EPS and NAV per share)

Sr. No.	Particulars	For the year ended on		
		March 31, 2021	March 31, 2020	March 31, 2019
1.	Share Capital	5.91	5.51	4.75
2.	Net worth	669.45	608.50	335.82
3.	Revenue from operations	81.25	5.50	-
4.	Profit After Tax	13.35	3.16	-
5.	Earnings Per Share - Basic* (Rs.)	0.59	0.14	-
6.	Earnings Per Share-Diluted* (Rs.)	0.59	0.14	-
7.	NAV per Equity Shares*	29.78	27.12	15.02
8.	Total Borrowings (As per Restated Balance Sheet)	1320.34	1002.77	538.58

*Post bonus issuance

QUALIFICATIONS OF AUDITORS

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

OUTSTANDING LITIGATIONS

Particulars	No. of Cases/ Disputes	Approximate Aggregate Claim Amount (Rs. In Lakhs)
LITIGATION BY OR AGAINST OUR COMPANY		
Litigation filed by Our Company		



AVYUKTA DAIRY PRODUCTS LIMITED

Particulars	No. of Cases/ Disputes	Approximate Aggregate Claim Amount (Rs. In Lakhs)
Civil Cases filed by our Company	1	_*
Criminal cases filed by our Company	-	_*
Litigations filed against our promoter group member	2	_*
Income Tax demand notice	1	13.68

*Amount could not be determined at the moment.

For detailed information on the “Outstanding Litigations”, please refer to section titled “Outstanding Litigations and Material Developments” on page 191 of this Draft Prospectus.

RISK FACTORS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India or does SEBI guarantees the accuracy or adequacy of this document.

Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 26 of this Draft Prospectus.

CONTINGENT LIABILITIES

There are no the Contingent Liabilities of the Company for the financial years ended on March 31, 2021, 2020 and 2019.

For detailed information on the Contingent Liabilities on our Company, please refer chapter titled “Financial Statements” beginning on page 160 of this Draft Prospectus.

RELATED PARTY TRANSACTIONS

STATEMENT OF DETAILS OF RELATED PARTY TRANSACTIONS

(Rs. In Lakhs)

Particulars	Relationship	Name	31.03.21	31.03.20	31.03.19
REVENUE ITEMS :					
Sales	Group Entity	M/s Aveena Milk Products	-	5.50	-
Purchases	Group Entity	M/s Aveena Milk Productus	-	1.00	-
NON REVENUE ITEMS :					
Advances Received	Director	Ms. Anjani Mittal	170.75	88.59	-
Advances Received	CFO	Mr. Avdhesh Mittal	-	1.56	-
Advances Received	Group Entity	M/s Anjani Enterprises	-	-	1.41



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Particulars	Relationship	Name	31.03.21	31.03.20	31.03.19
Advances Received	Group Entity	M/s All Times Builders & Impex Private Limited	-	31.69	30.78
Advances Received	Group Entity	M/s Garhwal Logistics Limited	-	10.15	258.66
Advances Received	Group Entity	M/s Aveena Cold Storage Private Limited	-	0.50	7.17
Advances Received	Group Entity	M/s Better Homes Buildtech Private Limited	505.75	442.00	92.50
Equity Contribution	Directors and Relatives	Anjani Mittal, Avdhesh Mittal, Better Homes Buildtech Private Limited	-	-	-

FINANCING ARRANGEMENTS

The promoters, members of the promoter group, the directors of the company which is a promoter of the issuer, the directors of the issuer and their relatives have not financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Prospectus.

WEIGHTED AVERAGE PRICE & COST OF ACQUISITION

Weighted average price at which the Equity Shares were acquired by our Promoters in Last One Year:

Sr. No.	Name of Promoter	No. of Equity Shares Acquired during last one Year	Weighted Average Price* (in Rs. per equity share)
1	Ms. Anjani Mittal	15,73,676	2.56

* The Weighted Average Price for Equity Shares acquired during last one year has been calculated by taking into account the amount paid by the Promoter to acquire, by way of fresh issuance or transfer, the Equity Shares and the net cost of acquisition has been divided by total number of shares acquired during last one year.

AVERAGE COST OF ACQUISITIONS OF SHARES FOR PROMOTERS*

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in Rs.)**
1	Ms. Anjani Mittal	16,12,834	19.28

* The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date of the Draft Prospectus.



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PRE-IPO PLACEMENT

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

ISSUE OF SHARE FOR CONSIDERATION OTHER THAN CASH

Our Company has not issued any equity shares for consideration other than cash during last one year except bonus issue in ratio of 1:37 on 21st May, 2021 as detailed below:

Bonus Issue of 21,88,291 Equity Shares of Rs. 10 each in the ratio of 37 Equity Share for every 1 Equity Share held, the details of Equity Shares are as under:-

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Avdhesh Mittal	1,85,000
2.	Ms. Anjani Mittal	15,70,391
3.	M/s. Better Homes Buildtech Private Limited	4,32,900
	Total	21,88,291

SPLIT / CONSOLIDATION

No Split or Consolidation was happened during the last one year.

SECTION III

RISK FACTORS

An investment in Equity Shares involves a high degree of risk. prospective investors should carefully consider all the information in this Draft Prospectus, particularly the “Financial Statements” and the related notes, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 160, 111 and 182 respectively and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.

The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares.

While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.

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

The following factors have been considered for determining the materiality of Risk Factors:

- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively;*
- *Some events may not be material at present but may have material impact in future.*

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Draft Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein.

In this Draft Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” beginning on page 26 and “Management Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 182 unless otherwise indicated, has been calculated on the basis of the amount disclosed in the “Audited Financial Statements, as restated” prepared in accordance with the Indian Accounting Standards.



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For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviations” beginning on page 2 of this Draft Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

INTERNAL RISK FACTORS:

1. **The Novel coronavirus (Covid-19) pandemic outbreak and steps taken control the same have significantly impacted our business, results of operations, financial condition and cash flows and further impact will depend on future developments, which are highly uncertain.**

The rapid and diffused spread of COVID-19 and global health concerns relating to this outbreak have had a severe negative impact on all businesses. The COVID-19 pandemic could continue to have an impact that may worsen for an unknown period of time. Currently, there is substantial medical uncertainty regarding COVID-19 and till any cure is found, this pandemic may continue to cause unprecedented 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.

Further, if in case due to any consequent wave of Coronavirus, if long term lockdown is imposed in the country or the state in which we perform of business, we may face losses and our business operations could be severely impacted.

2. **Real or perceived product contamination could result in reduced sales, product liability and damage to our reputation, and subject us to regulatory action.**

We are subject to various regulations relating to product liability, including in particular relating to food safety of our products. We sell products for human consumption, which involves risks such as product contamination or spoilage, product tampering and other adulteration of our products, especially as milk is a perishable product. Although we conduct various tests before procurement of raw milk, there can be no assurance that such testing and verification on quality of the raw milk checks conducted by us will be accurate at all times. If our products are found to be contaminated or reported to be associated with any contamination incidents, our reputation, business, prospects, financial condition and results of operations could be materially and adversely affected. In addition, our products are used in our institutional customers’ end-products. If those end-products are contaminated, and if the contaminations are ultimately traced back to our milk or ingredient products, we could be subject to product liability claims and damages, including, among other things, medical expenses, disability and wrongful death. There can be no assurance that we will succeed in avoiding any such incident of contamination during the production and transportation of our products in the future. In addition to product liability claims, if our products are found to be contaminated, we may be subject to regulatory actions.

Furthermore, the mere allegations that our milk or milk products contain or has contained any contaminants could damage our reputation and have a material adverse effect on our business, regardless of whether these reports have any factual basis.

Although we have not experienced any significant product liability claims in the past, there can be no assurance that our customers, or unrelated third parties, will not bring claims against us in the future that may result in adverse publicity. In case of any such product liability claims, there can also be no assurance that any product liability insurance will be sufficient to indemnify us against such liabilities. Any such product liability claim or contamination incident may adversely affect business prospects, results of operations and financial condition.



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3. Our business operations are dependent on supply of large amounts of raw milk, and an inability to procure adequate amounts of quality raw milk at competitive prices could adversely affect our results of operations.

Raw milk is the primary raw material used in the production of all our dairy products, and our business operations are dependent on our ability to procure sufficient amounts of quality raw milk at commercially viable prices. Our raw milk procurement model involves direct purchase of a majority of our raw milk requirements from registered milk vendors and contract milk suppliers. While we believe we have developed a strong relationship with these milk vendors, we have not entered into any formal supply contracts with such vendors. There can be no assurance that we will be able to procure all of our future raw milk requirements at commercially viable prices, or that we will be able to pass on any increases in the procurement price of raw milk to our customers.

Furthermore, in the event that such milk vendors or contract milk suppliers discontinue their supply to us or if we are unable to source quality raw milk from other suppliers at competitive prices, we may not be able to meet our production and sales targets. Interruption of, or a shortage in the supply of, raw milk may result in our inability to operate our production facilities at optimal capacities or at all, leading to a decline in production and sales. In addition, competition in the dairy industry may result in an increase in raw milk prices, which we may not be able to match, thereby affecting our supply of raw milk. An inability to procure sufficient quality raw milk at reasonable cost, or an inability to pass on any increases in the price of raw milk to our customers could adversely affect our business, results of operations and financial condition.

If we are required to source raw milk from other suppliers, it may be more difficult for us to maintain quality control across our procurement process. A decrease in the quality of our raw milk would adversely affect the quality of our products, our reputation and sales. Our ability to maintain and expand our direct procurement model from dairy farmers and registered milk vendors is also subject to, among other factors, such suppliers continuing to have confidence in us and our ability to pay competitive prices for our raw milk supplies. In addition, raw milk production is affected by a number of factors that are beyond our control, including, but not limited to, the following:

- Seasonal factors.;
- Environmental factors.
- Cattle health
- Governmental policy

4. Our Company is involved in various litigation, the outcome of which could adversely affect our business and financial operations.

Summary of litigations are given below:

Particulars	No. of Cases/ Disputes	Approximate Aggregate Claim Amount (Rs. In Lakhs)
LITIGATION BY OR AGAINST OUR COMPANY		
Litigation filed by Our Company		
Civil Cases filed by our Company	1	~*

**AVYUKTA DAIRY PRODUCTS LIMITED**

Particulars	No. of Cases/ Disputes	Approximate Aggregate Claim Amount (Rs. In Lakhs)
Criminal cases filed by our Company	-	.*
Litigations filed against our promoter group member	2	.*
Income Tax demand notice	1	13.68

.*Amount could not be determined at the moment.

If cases filed by our Company are not decided in favor of our Company, these entities would be deprived of claims receivable from counter party.

For details of the above litigation, please refer to the section titled "Outstanding Litigation" appearing on page 191 of this Draft Prospectus.

5. We have experienced negative cash flows and any negative cash flows in the future could adversely affect our financial conditions and results of operations.

The detailed break up of cash flows as per audited financials is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

(Amount in Lakhs)

Particulars	31.03.2021	31.03.2020	31.03.2019
Net Cash flow from Operating activities	(227.47)	(6.68)	(12.90)
Net Cash Flow from investing activities	(132.52)	(726.51)	(778.67)
Net Cash Flow from Financing activities	363.11	773.09	791.46
Net Cash Flow for the Year	3.11	(0.11)	(0.12)

6. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an adverse effect on our business, results of operations and financial condition.

Our future success will depend, in large part, on our ability to effectively implement our business and growth strategies, including our strategy to expand our retail consumer business, increase our institutional products business by manufacturing additional products for such customers, and expand our product portfolio particularly focused on specialty ingredient products for niche customer segments. In particular, we intend to significantly increase our focus on our consumer products business and build out an effective distribution and network within a relatively short period of time. We believe this will involve a significant increase in our marketing expenditure as we focus on penetrating the retail & Institutional market, strengthen our existing brands and introduce new products and brands to leverage our large and advanced production capabilities and capitalize on the growing consumer demand for higher margin products, such as various kinds of cheese, paneer and shrikhand. As part of our growth strategy, we intend to widen our product portfolio by adding new product lines such as various kinds of cheese, shrikhand and paneer. As we expand our business to new product lines, we may encounter regulatory, personnel, technological and other difficulties that may increase our expenses, delay commencement of commercial production or expansion of our distribution network, or require us to comply with applicable regulatory requirements. We may also find it difficult to find institutional customers for our new products. In addition, we may not be able to replicate the long term institutional



customer relationships, brand recognition, management experience and business success we have experienced in our current product offerings. In addition, our expansion into new product lines may adversely affect our risk profile due to market competition, and rapidly changing market and industry conditions.

Further, there is also a substantial risk that any new markets to which we introduce new products may not accept, or be as receptive to, our products. Our success depends on our ability to anticipate the tastes and dietary habits of consumers and to market our products in ways that would appeal to the consumers in these new markets. This may affect our relationships with consumers, suppliers, distributors and regulators and could have a material adverse effect on our business. In addition, if we introduce our own branded products in our existing and new product range, it may adversely affect our relationship with our existing institutional customers for which we may currently supply similar products.

There can be no assurance that we will be able to implement our business strategies in a timely manner or at all 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, implementation of these growth strategies may require us to incur additional indebtedness. There can be no assurance that we will be able to implement our business strategies, and such failure may materially impact our ability to grow our business and have an adverse effect on our business prospects, results of operations and financial condition. There can be no assurance that in the future we will not discontinue production of any of our current products in the retail consumer business or in the institutional consumer product business, whether for commercial reasons or otherwise, and this could materially impact our ability to expand our product portfolio or continue to offer a diverse range of dairy products, which could have an adverse effect on our growth and business prospects, results of operations and financial condition.

7. The dairy products business in India is evolving rapidly and is highly competitive and an inability to compete effectively with established and new competitors may adversely affect our growth prospects, results of operations and financial condition.

The dairy products industry in India is highly competitive, especially the markets for pasteurized milk, UHT milk, flavored milk, curd (dahi), ice cream and cheese. These products are experiencing rapid development and increasing competition. We currently compete, and in the future will continue to compete, with large multinational companies, as well as regional and local companies in each of the regions in which we operate. In our consumer products business, we compete not only with widely advertised and established branded products, but also with non-premium dairy producers as well as private and economy brand products that are generally sold at lower prices. Many of our competitors may have substantially greater financial and other resources than we have and may be better established with greater brand recognition in the retail consumer business than we have. Our competitors in certain regional markets may also benefit from raw material sources or production facilities that are closer to the markets for the downstream products or may benefit from integrating upstream and downstream production processes, which provides them with competitive advantages in terms of costs and proximity to consumers.

A failure to introduce distinctive brands, packaging and products that differentiate us from our competitors may result in loss of existing market share and failure to expand our consumer business or expand into new markets. Some of our competitors have used, and we expect them to continue to use, greater amounts of incentives and subsidies for distributors and retailers and more advanced processes and technologies. In addition, significant increase in advertising expenditures and promotional activities



by our competitors may require us to similarly increase our marketing expenditure for our growing retail consumer business, engage in effective pricing strategies, which may result in dilution of our margins and materially and adversely affect our business, results of operations and financial condition.

8. There is limited market of our products.

Our Company has recently set up a processing unit to product the milk and related products and the commercial productions are yet to be started fully. Our Company is in the initial stage of marketing and productions and the market for our products are very limited. In case of delay in starting of commercial production or marketing of our products, our financial conditions may be adversely affected.

9. Our commercial production at our processing unit has not started yet and Consequently, the capacity of our current plant units is not fully utilized. Consecutively, if there is also any under-utilization of our capacities in next three years, it could affect our ability to fully absorb fixed costs and thus may adversely impact our financial performance.

The capacity of our current plant is not fully utilized. We have not started our commercials production fully and its initial stage of becoming operations. For more details, please refer chapter “Our Business” on page 111 of this Draft prospectus.

Further, we propose to fully utilize our production capacities in coming years based on our estimates of market demand and profitability. In the event of delay in operationalise our plant/ non materialization of our estimates and expected order flow for our product and/or failure of optimum utilization of our capacities, due to factors including adverse economic scenario, change in demand or for any other reason, our capacities may not be fully utilized thereby impairing our ability to fully absorb our fixed cost and may adversely impact our financial performance.

10. Use of Plastic may be prohibited by Concerned Government being combustible, Hazardous commodity which may cause several health concerns.

Our operations are subject to generation of various hazardous waste associated with the use of plastic in our packaging. The storage of these hazardous materials near our production facilities and the handling of these materials in the production process pose inherent risks. These hazards can cause personal injury and loss of life, severe damage to environmental damage and may result in the suspension of operations and the imposition of civil and criminal liabilities.

Government of different States has, from to time, issued various orders banning the use of hazardous products for sake of health safety of people at large. Thus, any ban / prohibition / limitation / restriction in the use of Plastic commodity in the manufacturing of our products may adversely affect our product and thus will adversely affect our profitability, business, financial condition, results of operations, cash flows and prospects.

11. The loss, shutdown or slowdown of operations at any of our facilities or the under-utilization of any such facilities may have a material adverse effect on our results of operations and financial condition.

Our business and results of operations are dependent on our ability to effectively plan our production processes and on our ability to optimally utilize our production capacities for the various dairy products we plan to manufacture. Any disruption to our production process or the operation of our production facilities may result from various factors beyond our control, including, among others, the following:

- utility supply disturbances, particularly power and water supply;
- forced close down or suspension of our production facilities due to factors such as breakdown or failure of equipment, performance below expected levels of output or efficiency, facility obsolescence or disrepair, labour disputes such as strikes and work stoppages, natural disasters and industrial accidents;
- severe weather condition;
- interruption of our information technology systems that facilitate the management of our production facilities; and
- other production or distribution problems, including limitations to production capacity due to regulatory requirements, changes in the types of products produced or physical limitations that could impact continuous supply.

Although we do not foresee any disruption in our production facilities, however, there can be no assurance that there will not be any material disruption to our operations in the future. If we fail to take adequate steps to mitigate the likelihood or potential impact of these events, or to effectively respond to these events if they occur, our business, results of operations and financial condition could be materially and adversely affected. Further, we depend upon our suppliers and vendors to provide the necessary equipment and services that we need for our continuing operations and maintenance of our facilities, plant and machinery. We cannot assure you that we will be able to continue to obtain equipment on commercially acceptable terms, or at all, or that our vendors will continue to enter into or honor the contracts for their services. Our inability to continue to obtain equipment and enter into contracts with our vendors in a timely manner, or at all, could adversely affect our business and results of operations.

12. Activities involving our manufacturing process can be dangerous and can cause injury to people or property in certain circumstances. A significant disruption at any of our manufacturing facilities may adversely affect our production schedules, costs, sales and ability to meet customer demand.

Our business operations are subject to hazards such as risk of equipment failure, work accidents, fire or explosion and require individuals to work under potentially dangerous circumstances or with flammable materials. Although we employ safety procedures in the operation of our facilities and maintain what we believe to be adequate insurance, there is a risk that an accident or death may occur in one of our facilities. An accident may result in destruction of property or equipment, environmental damage, manufacturing or delivery delays, or may lead to suspension of our operations and/or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations, cash flows and prospects.

In particular, if operations at our manufacturing facility were to be disrupted as a result of any significant workplace accident, equipment failure, natural disaster, power outage, fire, explosion, terrorism, adverse weather conditions, labour dispute, obsolescence or other reasons, our financial performance may be adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products. Interruptions in production may also increase our costs and reduce our sales, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our profitability, business, financial condition, results of operations, cash flows and prospects.



- 13. Our Logo is not registered. If we fail to obtain trademark registration our brand building efforts may be hampered which might lead to adverse effect on our business.**

Our intellectual property includes trademarks associated with our business, the logo appearing on the cover page of this Draft Prospectus has not been registered by us. For further information, please see the section entitled “Our Business” on page 111. In the absence of such protection, we may not be able to prevent infringement of our trademarks and a passing off action may not provide sufficient protection until such registration is granted. In addition, if our unregistered trademark is registered in favour of a third party, we may not be able to claim registered ownership of the trademarks and consequently, we may be unable to seek remedies for infringement of these trademarks by third parties other than relief against passing off by other entities. Further, we may become subject to claims by third parties if we use any of these trademarks in breach of any intellectual property rights registered by such third parties. Any legal proceedings pursuant to such claims, or settlements thereunder, may divert management attention and require us to pay financial compensation to such third parties. Our inability to obtain or maintain these registrations may adversely affect our brand value and business prospects, particularly in relation to our retail consumer business. Our failure to detect counterfeiting or imitation of our own brand products and trademarks and to mitigate the adverse impact from such counterfeiting and imitation could result in a decrease in our sales volume or market share.

Furthermore, we cannot guarantee that the use of our brand and trademarks will not infringe the intellectual property rights of any third party or otherwise violate any applicable laws. Any liability or claim in relation to our use of such brands and trademarks made or threatened to be made against us in the future, regardless of its merits, could result in costly litigation and strain our administrative and financial resources. If we fail to effectively protect our brand and trademarks, our reputation could suffer severe damage, which in turn could have a material adverse effect on our business, financial condition and results of operations.

- 14. Our Company is using the the mark “Aveena Milk Products” belonging to Mr. Avdhesh Mittal for our products and Our Company has not applied for registration of its own logo. We may fail to successfully enforce or protect our intellectual property rights and thus our brand building efforts may be hampered which might lead to adverse effect on our business.**

Our Company is using mark belonging to Mr. Avdhesh Mittal for our products. Mr. Avdhesh Mittal has provided his No objection vide letter dated 1st April, 2021 to our company for using the said logo for the business purpose. Our Company has not made any application for registration of our Logo/trademark under the Trademarks Act, 1999 and If our Company is unable to obtain registration of trademark, it may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks in future could have a material adverse effect on our business and also that Mr. Avdhesh Mittal may enforce his legal rights as registered trademark owner against our Company for using its trademark except for the purpose allowed by Mr. Avdhesh Mittal.

Any discontinuance of such allowance by Mr. Avdhesh Mittal or non renewable of such trademark in future may adversely affect our results of operations. For further details please refer to section titled Government & Other Approvals and Our Business on page 198 and page 111 of this Draft Prospectus.



- 15. Improper storage, processing or handling of raw milk and our dairy products may result in spoilage of, and damage to, such raw milk and dairy products which may adversely affect our business prospects, results of operations and financial condition.**

We produce a range of dairy products from raw milk, including sweetened condensed milk, pasteurized milk, UHT milk, flavored milk, yogurt, dairy whitener, skimmed and whole milk powder, clarified butter (ghee), and ice cream. Each such dairy product involves specific temperatures and other conditions of storage depending on the nature of the product. In the event that the procured raw milk or our dairy products are not appropriately processed, stored, handled and transported under specific temperatures and other food safety conditions, the quality of such raw milk and dairy products may be affected, resulting in spoilage or contamination. Any accident or negligence in the procurement, production or storage of our products under sub-optimal conditions may result in non-compliance with applicable regulatory standards or quality standards and storage conditions specified by our customers for such products. Any sale of such non-compliant product may be harmful to the health of end consumers of our dairy products, and any such event may expose us to liabilities and claims which could adversely affect our brand image and reputation. Any such event may have a material and adverse effect on our business prospects, results of operations and financial condition.

- 16. Our Company is dependent on third party transportation providers for the delivery of our goods and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.**

Our Company uses third party transportation providers for delivery of our goods. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. In addition goods may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products, which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our raw materials or finished goods may have an adverse effect on our business and results of operations. Further, disruptions of transportation services due to weather related problems, strikes, lock-outs, inadequacies in the road infrastructure, or other events could impair ability to procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

- 17. The Registered Office of our Company are not owned by us.**

We operate from our registered office situated at BB-17 Greater Kailash Enclave-II, New Delhi, South Delhi - 110048. The same has been taken on lease from M/s Ramada Hospitality Private Limited, to use the place situated at BB-17 Greater Kailash Enclave-II, New Delhi, South Delhi - 110048 as registered office vide agreement dated 16th July, 2021 for a period 11 months commencing from 16th July, 2021. Any discontinuance of facility to use the office will lead us to locate any other premises. Our inability to identify the new premises may adversely affect the operations, finances and profitability of our Company. For further details please refer to section titled Our Business on page 111 of this Draft Prospectus.

- 18. We have entered into certain transactions with related parties in the past and may continue to do so in future. These transactions or any future transactions with our related parties could potentially involve conflicts of interest.**

We have entered into certain transactions with related parties, including our Promoter and Promoter Group Entities and may continue to do so in future. While we believe that all such transactions are in

compliance with applicable laws and contain commercial terms, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. The transactions we have entered into and any future transactions with our related parties have involved or could potentially involve conflict of interests. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our results of operations and financial condition. For further information, please see the section entitled “Financial Statements” on page 160.

19. An inability to expand or effectively manage our growing distribution network may adversely affect our retail consumer products business.

Although we have not started the commercial production our production, however, we have started to set up our distribution network. As we may plan to increase our focus on our retail consumer business, an inability to expand or effectively manage our growing distribution network may adversely affect our retail consumer products business. We sell our own consumer products to retail customers through our distributors and various third party retail chains, and the competition for distributors is intense in our industry in India as many of our competitors are expanding their distribution networks. We may not be able to compete successfully against our competitors for our existing distributors or additional distributors in the future.

If we are unable to continue to expand our distribution network, our business will be adversely affected. In addition, we may not be able to effectively manage our distributors or expand our network, and the cost of any consolidation or further expansion of our distribution network may exceed the revenue generated from these efforts. Furthermore, the performance of our distributors and the ability of our distributors to sell our products, expand their businesses and their sales network are crucial to the future growth of our business and would directly affect our sales volume and profitability.

20. Any shortage or non-availability of electricity or water may adversely affect our production processes and have an adverse impact on our results of operations and financial condition.

Our operations involve a significant amount of electricity as our raw materials including milk, and dairy products are required to be stored at specified temperatures and require significant refrigeration facilities. The production processes of certain of our dairy products also require significant power.

Temperature control becomes essential in relation to, processing and preservation of our raw milk and other raw materials and our dairy products, some of which have relatively short shelf lives. We depend on State electricity supply for our power requirements. An interruption in power supply may occur in the future as a result of any natural calamity, technical fault, shortage of power or other factors beyond our control. This could also result in an increase in the cost of power. We are also dependent on the availability of adequate water for use in our production processes. Lack of sufficient power or water resources or an increase in the cost of such power and water may adversely affect our business, results of operations and financial condition.

21. If we fail to anticipate and respond to changes in consumer preferences, demand for our dairy products could decline.

The success of our business operations, particularly in our retail consumer business, depends on our ability to anticipate, identify, interpret and react to the evolving tastes, dietary habits and nutritional needs of consumers and to offer products that appeal to them. Sales of our products could be affected by nutritional and health-related concerns about our products, such as fat, cholesterol, calorie, sodium, lactose, sucrose, bacteria and other ingredients contained in the products. Consumer trends in the dairy

industry are constantly changing and our failure to anticipate, identify, interpret and react to these changes, or our failure to generate consumer acceptance or recognition of our new products, could lead to, among others, reduced demand for and/or price reductions of our products. In addition, medical and other studies released from time to time raise health concerns over cow milk in the human diet, which may result in a decrease in demand for dairy products. Such developments may have an adverse effect on consumer preferences and our results of operations and financial condition.

Even if we are successful in anticipating, identifying, interpreting and reacting to evolving consumer trends, there can be no assurance that we will be able to successfully compete in these new businesses; that demand for these new products will grow to the extent that we expect; or that these new businesses and products will provide the returns that we expect. If we are unable to respond to changes in consumer preferences in a timely manner or at all, or if our competitors are able to address these developments more effectively or efficiently, our business, results of operations and financial condition could be materially and adversely affected.

22. We face risks and uncertainties associated with the implementation of expansion and new projects which may impact our business, operations and revenue.

Our business plan includes expansion of our institutional customers for growth opportunities and thereby increase the revenue. We may face risks and uncertainties in relation to expansion and achieving our business plans efficiently, which may include various factors i.e. we may face difficulties in recruiting, training and retaining sufficient skilled labour, technical and management personnel and inability to or difficulty in satisfying clients expectations. This may adversely affect our business, results of operation and revenues.

23. Our success depends on our ability to manage our growth which could disrupt our business and reduce our profitability.

We and expect our business to grow significantly as a result of our expanded operations by increasing our operations, raw milk procurement volumes, increasing sales of institutional products, expanding our consumer business, targeting niche customer segments, expanding our distribution platform, and continue to increase our brand penetration. We expect this growth to place demands on us requiring us to continuously evolve and improve our operational, financial and internal controls across the organization. In particular, we may face increased challenges in:

- maintaining high levels of customer satisfaction;
- recruiting, training and retaining sufficient skilled management, technical, execution and marketing personnel, and our distributors;
- adhering to health, safety and environment and quality and process execution standards;
- preserving a uniform culture, values and work environment across our operations; and
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications and other internal systems.

We will need to continuously develop, improve our financial, internal accounting and management controls, reporting systems and procedures as we continue to grow and expand our business. An inability to manage our growth may have an adverse effect on our business and results of operations.



- 24. Our procurement operations and production facilities are located in a single geographical region, which exposes us to the risk of any adverse development affecting such region.**

Our production facilities are located in Uttar Pradesh. Our raw milk requirements are procured from registered milk vendors from these regions as well as certain contract milk suppliers operating in these regions, and we benefit from the close proximity of our production facilities to our milk procurement areas. The concentration of our entire procurement and production operations in one particular region exposes us to the risk of any adverse conditions in this region, such as natural calamities, civil disturbances or any adverse political, social or economic conditions, the occurrence of which could have a material adverse effect on our business, financial condition and results of operations.

- 25. An inability on our part to keep pace with technological developments could adversely affect our business, results of operations and financial condition.**

We use advanced technology systems to manage our raw milk procurement, production processes as well as product distribution. A fault in or disruption to our information technology systems could cause disruption to our business. In addition, technological advances from time to time may result in our systems, methods or production facilities becoming obsolete. Failure to keep up to date with such changes could result in our competitors having an advantage over us, which could impact negatively upon both our financial performance and our reputation. Any significant upgrade to or replacement of our systems could require considerable capital expenditure, which could affect our results of operations and financial condition.

- 26. Our business prospects and results of operations may be adversely affected if any future capacity expansion or facility modernization plans are not successfully implemented.**

As we are at initial stage of starting our production facilities and introducing our products, we may encounter regulatory, personnel and other difficulties that may increase our expenses, which could delay our plans or impair our ability to become profitable in these areas. A delay in the construction, commissioning or operation of product lines, an increase in the cost of construction or future production facilities not being as efficient as planned could have a material and adverse effect on our business and results of operations. In addition we may have to make significant investment in upgrading our plant, machinery and other infrastructure at our production facilities. There can, however, be no assurance that such modernization plans will be successfully implemented or completed or that if completed, they will result in the anticipated growth in our revenues or improvement in the results of operations we anticipate from the implementation of such initiatives.

- 27. We are subject to extensive government regulation and our inability to obtain/renew or maintain our statutory and regulatory permits and approvals required to operate our business would adversely affect our business and operations.**

Our operations are subject to extensive 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, environmental approvals, factories licenses, labour related approvals. Further, approvals applicable to our Company include the registration of our suppliers under the Food Safety Standards Act, 2006 which is obtained by the respective vendors, approvals for operating diesel generator sets and transformers, approvals from the utilities' companies/authorities for water and electricity connection, periodic inspection and periodic verification of the weights and measures, and packaging used by our Company, periodic inspection and certification of the engineering construction in our manufacturing facilities, and permission for selfsealing of export goods. For details of our approvals, please see the section titled "Government and

other Approvals” on page 198. There can be no assurance that the relevant authorities will issue or renew any expired permits or approvals in time or at all. Failure or delay in obtaining approvals or failure by us to renew, maintain or obtain 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.

Further, the approvals required to be obtained by our Company 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. 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, have our approvals and permits revoked or suffer a disruption in our activities, any of which could adversely affect our business

Our operations are subject to stringent health and safety laws as our products and the products are for human consumption and are therefore subject to various industry specific regulations. While we believe that our production facilities are in compliance with applicable food safety, and other applicable laws and regulations, we may be subject to additional regulatory requirements due to changes in governmental policies. Further we may also incur additional costs and liabilities related to compliance with these laws and regulations that are an inherent part of our business. We are subject to various central, state and local food safety, consumer goods, health and safety and other laws and regulations. These relate to various issues, including food safety, food ingredients, and food packaging requirements, and the investigation and remediation of contamination. These laws and regulations are increasingly becoming stringent and may in the future create substantial compliance or remediation liabilities and costs. These laws may impose liability for non-compliance, regardless of fault. Other laws may require us to investigate and remediate contamination at our facilities and production processes. While we intend to comply with applicable regulatory requirements, it is possible that such compliance may prove restrictive, costly and onerous and an inability to comply with such regulatory requirement may attract penalty.

28. Failure to comply with environmental laws and regulations could lead to unforeseen environmental litigation which could impact our future net earnings.

We are subject to various national, state, municipal and local laws and regulations concerning environmental protection in India, including laws addressing the discharge of pollutants into the air and water, the management and disposal of any hazardous substances, and wastes and the cleanup of contaminated sites. Environmental laws and regulations in India are becoming more stringent, and the scope and extent of a 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. Further, any violation of the environmental laws and regulations may result in fines, criminal sanctions, revocation of operating permits or shutdown of our facilities. Due to the possibility of unanticipated regulatory or other developments, the amount and timing of future environmental expenditures may vary substantially from those currently anticipated. We cannot assure you that our costs of complying with current and future environmental laws will not adversely affect our business, results of operations or financial condition. In addition, we could incur substantial costs, our products could be restricted from entering certain jurisdictions, and we could face other sanctions, if we were to violate or become liable under environmental laws or if our products become non-compliant with environmental laws. Our potential exposure includes fines and civil or criminal

sanctions, third-party property damage or personal injury claims and clean-up costs. Further, liability under some environmental laws relating to contaminated sites can be imposed retroactively, on a joint and several basis, and without any finding of non-compliance or fault. The amount and timing of costs under environmental laws are difficult to predict.

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

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

30. We are subject to stringent labour laws or other industry standards and any strike, work stoppage or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition and results of operations.

Our processing activities are labour-intensive. As of date, we have 22 permanent employees engaged across various operational and business divisions. We are subject to a number of stringent labour laws that protect the interests of our workers, including legislation that stipulates rigorous procedures for dispute resolution and retrenchment of workers and imposes financial obligations on employers. We may experience labour unrest and lock out and other labour action, which may have an adverse impact on our operations, and if not resolved in a timely manner, could lead to disruptions in our operations. We cannot guarantee that we will not experience any strike, work stoppage or other industrial action in the future and any such event could adversely affect our business, results of operation and financial condition. Further, our third-party raw material suppliers may experience strikes or other labour disruptions and shortages that could affect our operations, possibly for a significant period of time, result in increased wages, shortage in manpower and other costs and otherwise have a material adverse effect on our business, results of operations or financial condition. Additionally, our inability to recruit employees, in particular skilled employees and retain our current workforce could have a material adverse effect on our business, financial condition and profitability.

Furthermore, any changes in labour laws against our present terms of employment could adversely affect our operating margins, manufacturing operations, cash flows and results of operations.

31. Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.

We believe that the Milk industry faces competitive pressures in recruiting and retaining skilled and unskilled labour. Our industry being labour intensive is highly dependent on labour force for carrying out its business operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Such disruptions may adversely affect our business and results of

operations, reputation and may also divert the management's attention and result in increased costs. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages.

32. We rely on certain third party service providers for our business and results of operations and any interruption in their services can have an effect on our results of operations.

We rely on third parties to provide various services on regular basis, for instance in relation to functions such as milk procurement, transportation of our finished dairy products, production facility maintenance, repair and operation. Increases in the cost of these services or failure or delay of one or more of these third party service providers to provide these services to the necessary standard could constrain or disrupt reliability of supply and have an adverse effect on business and profitability. Further the costs related to the collection, distribution and production of our dairy products such as freight and other costs will also have an effect on our production costs and effect on our results of operations. If any of our contracts with these suppliers are disrupted, then we may not be able to find suitable replacements in a timely manner or at all, or on commercially acceptable terms, and this could constrain or disrupt reliability of supply and have an adverse effect on business and profitability.

33. We may not be able to retain or secure key qualified personnel, key senior management or other personnel for our operations.

We depend on certain key qualified personnel, key senior management and other employees in our business. The expertise, industry experience and contributions of our senior management are crucial to our success. There can be no assurance that such persons will continue to provide services to us or will honor the agreed upon terms and conditions of their employment contracts. Any loss of key personnel or failure to recruit and retain personnel for our future operations and development may have a material adverse effect on our business.

34. Our insurance coverage may not be sufficient to cover all of our potential losses.

We maintain insurance coverage for our main production facilities and equipment. However, these insurance policies have limits on the total amount of indemnification and do not cover all potential losses. As a result, we may be required to use our own resources to cover certain financial and other losses, damages and liabilities, including those caused by fire, bad weather, disease, civil strife, strikes, natural disasters, terrorist incidents, industrial accidents or other causes. Also, any defective product claim or business interruption may result in substantial costs to us. Losses incurred or payments we may be required to make may have a material adverse effect on our business, results of operations and financial condition.

Further there can be no assurance that we may not suffer any uninsured losses which will also have an adverse effect on our business.

35. Delays or defaults in client payments could adversely affect our operations.

We may be subject to working capital risks due to delays or defaults in payment by clients, which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on our part to supply the required quantity or quality of products, within the time stipulated by our agreements, to our customers may in turn cause delay in payment or refusal of payment by the customer. Such defaults/delays by our customers in meeting their payment obligations to us may have a material adverse effect on our business, financial condition and results of operations.



36. Termination of agreements/arrangements with Customers, could negatively impact our revenues and profitability.

Our customers typically retain us on a non-exclusive basis. Many of our client contracts can be terminated with or without cause by providing notice and without termination-related penalties. Additionally, most of clients carry no commitment to a specific volume of business or future work. Our business is dependent on the decisions and actions of our customers, and there are a number of factors relating to our clients that are outside our control that might result in the termination of an assignment or the loss of a client, including a demand for price reductions. Therefore, our business may be adversely affected if any of our contracts are terminated by our customers.

37. Our ability to retain the clients is heavily dependent upon various factors including our reputation and our skill to maintain the quality in Products processed by us and our ability to maintain a high level of service quality including our satisfactory performance for the customers. Any failure by us to retain or attract customers may impact its business and revenues.

We believe our strong reputation & our skill to maintain the quality in Products processed by us has helped us to attract and retain our customers. As a result, our reputation and perception of our brands are critical to our business. Although, we believe that we as well as our customers have a dedicated and talented team that comprise of experienced personnel in the field of milk processing. Our business heavily relies on our reputation as well as the quality and popularity of the product provided by us and our visibility and perception amongst customers. It is important that we retain the trust placed by our customers. We must also continue to attract more and increase the number of our customers at a consistent rate. We attempt to retain our position by maintaining quality and by our ability to improve and add value to the performance of our customers in their respective areas. This requires constant upgradation of the methodology and technologies are adequately equipped. Further, we rely on a variety of advertising efforts tailored to target the customers. Failure to maintain and enhance our reputation or any actual or perceived reasons leading to reduction of benefits from our customers or any negative publicity against us may affect the rate of customers. Any failure by us to retain or attract customers may adversely impact our business and revenues.

38. Our Company's failure to maintain the quality standards of the products could adversely impact our business, results of operations and financial condition.

The demand for our products depends on quality that we deal. Any failure of ours to maintain the quality standards may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy our customer's quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products or any other unforeseen events could adversely affect our reputation, our operations and our results from operations.

39. Our promoter and promoter group will continue to retain significant control over our Company after the IPO.

After completion of the Issue, our Promoters and Promoter Group will collectively own 69.82% of the Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

40. Any failure or disruption of our information technology systems could adversely impact our business and operations.

We have implemented significant information technology infrastructure across our business functions. In addition, our production facilities are highly automated and equipped with modern technology and equipment. Accordingly, our operations are vulnerable to interruption by fire, power loss, telecommunications failure, terrorist attacks, internet failures, computer viruses, earthquake and other events beyond our control. Any breaches of our information technology systems may require us to incur further expenditure to set up more advanced security systems to prevent any unauthorized access to our networks. In the event of a significant system failure, our business could experience significant disruption which could have a material adverse effect on our business, results of operations and financial condition. Further, in the event that our information technology systems are unable to handle additional volume for our operations as our business and scope of our operation expands, our operating efficiency may decline, and may also have an adverse effect on our business operations.

41. We may not be able to secure sufficient financing on favourable terms, or at all, to meet our future capital needs.

In the future, we may require additional capital to pursue business opportunities or acquisitions or respond to challenges and unforeseen circumstances. We may also decide to engage in equity or debt financings or enter into credit facilities for other reasons. We may not be able to secure debt or equity financing in a timely manner, on favorable terms, or at all. Any debt financing obtained by us in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions.

42. Information relating to the estimated installed capacities of our production facilities included in this Draft Prospectus is based on various assumptions and estimates and future production and capacity utilisation may vary from such estimated installed capacity utilisation.

The estimated installed capacity information relating to our production facilities included in this Draft Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials and assumptions relating to potential utilization levels and operational efficiencies. Undue reliance should therefore not be placed on the estimated installed capacity for our existing facilities mentioned in the Draft prospectus.

43. Our Promoter, Directors and Key Managerial Personnel of our Company may have interests in us other than reimbursement of expenses incurred or normal remuneration or benefits.

Our Promoters are interested in us to the extent of any transactions entered into or their shareholding and dividend entitlement in us. Our Directors are also interested in us to the extent of remuneration paid to them for services rendered as our Directors and reimbursement of expenses payable to them. Our Directors may also be interested to the extent of any transaction entered into by us with any other company or firm in which they are directors or partners or in their individual capacity. For further details, refer related party transactions on page 180 respectively.

**44. Conflicts of interest may arise out of common business undertaken by our Company and our promoter Group Entities.**

Our Promoter Group Entities namely, Aveena Milk Products Private Limited, Maneri Ice Cream Private Limited and Aveena Milk Products are authorized to carry out business similar to that of our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our Group Entities in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour other companies in which our Promoters have interests. There can be no assurance that our Promoters or our Group Entities or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition.

45. The Details of some of the entities of our Promoter Group are not available.

Details of some of the entities of the Promoter Group of our Company are not available. The financials information of some of the entities form part of our promoter group as mentioned on page 154 of this draft prospectus are not available. Therefore, In the absence of the availability of the information about their past financials and other, details of such companies have not been given in the draft prospectus.

46. The average cost of acquisition of Equity Shares by our Promoter may be less than the Issue Price.

The average cost of acquisition of Equity Shares by our Promoter may be less than the Issue Price. The details of average cost of acquisition of Equity Shares acquired by our Promoter is set out below:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Ms. Anjani Mittal	16,12,834	19.28

**The average cost of acquisition of our Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares, including the issue of bonus shares, if any, to them. The average cost of acquisition of our Equity Shares by our Promoters has been reduced due to the issuance of bonus shares to them, if any. For more information, please refer to the section titled "Capital Structure" on page 63.*

47. In the 12 months prior to the date of filing the Draft Prospectus, the Company had issued Equity Shares at a price, which may be lower than the Issue Price.

In the 12 months prior to the date of filing of the Draft Prospectus, the Company had allotted 21,88,291 Equity Shares on 21st May, 2021 as bonus shares to its existing shareholders. For more details on the issuance of same, please see "Capital Structure" on page 63 of this Draft Prospectus.

48. Our lenders have charge over our assets in respect of finance availed by us.

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over our immovable property. The total amounts outstanding and payable by us as secured loans were Rs. 643.83 lakhs as on 31st March, 2021. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our assets may be subject to



forfeiture by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations.

For further details of secured loans of our Company, please refer the chapter titled *Financial Statements* on page 160 of this Draft Prospectus.

49. Unsecured loans taken by our Company from related parties can be recalled by the lenders at any time.

As on March 31, 2021, our Company has unsecured loans amounting to Rs. 676.51 lakhs from related parties that are repayable on demand to the relevant lender. Further, some of these loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.

For further details of unsecured loans of our Company, please refer the chapter titled *Financial Information* on page 160 of this Draft Prospectus.

50. Our Company may incur penalties or liabilities for non-compliances with certain provisions of the Companies Act and other applicable laws in previous Years.

Our Company may incur penalties or liabilities for non compliance with certain provisions including Non opening of Escrow Bank Account for the private placements & non obtaining of valuation report w.r.t. private placement made on 29th September, 2020 / lapsed/ made delay in certain filings and/or errorness filing/ Non Filing of eforms, under Company Act applicable to it in the past years. Such non compliances/delay Compliances /errorness filing/ Non Filing may incur the penalties or liabilities which may affect the results of operations and financial conditions.

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

As per SEBI (ICDR) Regulations, 2018 appointment of monitoring agency is required only for Issue size above Rs. 10,000 Lakhs. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the BSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

52. Delay in raising funds from the IPO could adversely impact the implementation schedule.

The proposed expansion, as detailed in the section titled “*Objects of the Issue*” is to be entirely funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion process within the given time frame, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.



- 53. The Objects of the Issue for which funds are being raised, are based on our management estimates and any bank or financial institution or any independent agency has not appraised the same. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titles “Objects of the Issue”.**

The fund requirement and deployment, as mentioned in the “Objects of the Issue” on page 88 of this Draft Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter “Objects of the Issue” is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency.

Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter “Objects of the Issue” will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

- 54. We have not independently verified certain data in this Draft Prospectus.**

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

- 55. Any future issue of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoter or other major shareholders may adversely affect the trading price of the Equity Shares.**

Any future equity issues by us, including in a primary offering, may lead to the dilution of investors' shareholdings in us. Any future equity issuances by us or sales of its Equity Shares by the Promoter may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

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

The amount of our future dividend payments, if any, will depend upon our Company's future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that our Company will be able to pay dividends.

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

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if

Securities Transaction Tax ("STT"), is paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, is 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 equity shares are exempt from taxation in India where an 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 to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

EXTERNAL RISK FACTORS

58. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

59. Political, Economic and Social changes in India could adversely affect our business.

Our business, and the market price and liquidity of our Company's shares, may be affected by changes in Government policies, including taxation, social, political, economic or other developments in or affecting India could also adversely affect our business. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms including significantly relaxing restrictions on the private sector. In addition, any political instability in India may adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

60. Our business is dependent on economic growth in India.

Our performance is dependent on the health of the overall Indian economy. There have been periods of slowdown in the economic growth of India. India economic growth is affected by various factors including domestic consumption and savings, balance of trade movements primarily resulting from export demand and movements in key imports, such as oil and oil products, and annual rainfall, which affect agricultural production. For example, in the monsoon of 2009, Several parts of the country experienced below average rainfall, leading to reduced farm output which impaired economic growth. In the past, economic slowdowns have harmed industries and industrial development in the country. Any future slowdown in the Indian economy could harm our business, financial condition and results of operations.

61. The extent and reliability of Indian infrastructure could adversely affect our results of operations and financial condition.

India's physical infrastructure is less developed than that of many developed countries. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other

public facility could disrupt our normal business activity. Any deterioration of India's physical infrastructure would harm the national economy.

62. Global economic downturn and adverse market conditions could cause our business to suffer. A slowdown in economic growth in India could cause our business to suffer.

The developed economies of the world viz. U.S., Europe, Japan and others are in midst of a downturn affecting their economic condition and markets general business and consumer sentiment has been adversely affected due to the global slowdown and there can be no assurance whether the developed economies or the emerging market economies will see good economic growth in the near future. Consequently, this has also affected the global stock and commodity markets. Our performance and growth is directly related to the performance of the Indian economy. The performance of the Indian economy is dependent among other things on the interest rate, political and regulatory actions, liberalization policies, commodity and energy prices etc. A change in any of the factors would affect the growth prospects of the Indian economy, which may in turn adversely impact our results of operations, and consequently the price of our Equity Shares.

63. The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted.

The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted. In late calendar 2019, COVID-19, commonly known as "novel coronavirus" was first reported in Wuhan, China. Since then, the virus has progressively spread globally too many countries. The World Health Organization declared the COVID-19 outbreak as a health emergency of international concern on January 30, 2020 and thereafter categorized the outbreak as a pandemic on March 11, 2020. In order to contain the spread of COVID-19 virus, the Government of India initially announced a 21-day lockdown on March 24, 2020, which, after being subject to successive extensions, is being relaxed currently. During the duration of the lockdown, there were several restrictions in place including travel restrictions and directive to all citizens to not move out of their respective houses unless essential. Whilst the lockdown required private, commercial and industrial establishments to remain closed, manufacturing units of essential commodities were permitted to be functional. The team members have been working from home during lockdown and have been able to execute their responsibilities and service clients without any disruption, difficulty or delay. Due to the rising number of infected cases of COVID-19 in the country, there is no certainty if additional restrictions will be put back in place or if another lockdown would be re-imposed to control the spread of the pandemic. We cannot assure you that we may not face any difficulty in our operations due to such restrictions and such a prolonged instance of lockdown may adversely affect our business, financial condition and results of operations. Further, our ability to ensure the safety of our workforce and continuity of operations while confirming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event a member or members of our senior management team contract COVID-19, it may potentially affect our operations. Further, in the event any of our employees contract COVID-19, we may be required to quarantine our employees and shut down a part of or the entire operating facility as necessary. Risks arising on account of COVID-19 can also threaten the safe operation of our facility, loss of life, injuries and impact the wellbeing of our employees. The ultimate impact will depend on a number of factors, many of which are outside our control. These factors include the duration, severity and scope of the pandemic, the impact of the pandemic on economic activity in India and globally, the eventual level of infections in India, and the impact of any actions taken by governmental bodies or health organisations (whether mandatory or advisory) to combat the spread of the virus. These risks could have an adverse effect on our business, results of operations, cash flows and financial condition. To the extent that the

COVID19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this “Risk Factors” section.

64. Any downgrading of India’s debt rating by an independent agency may harm our ability to raise debt financing.

Any adverse revisions to India’s credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our capital expenditure plans, business and financial performance.

65. Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. In addition, the Asian region has from time to time experienced instances of civil unrest and hostilities among neighbouring countries. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India, may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in the world, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

66. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations, financial condition and prospects.

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter “Government and Other Approvals” beginning on page 198 for details of the laws currently applicable to us. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations.

SECTION IV: INTRODUCTION

THE ISSUE

The following table summarizes the Issue details:

Equity Shares Offered	
Public Issue of Equity Shares by our Company ^{(1) (2)}	Issue of 8,28,000 Equity Shares of face value of Rs.10/- each for cash at a price of Rs. 43.00 per Equity Share (including a share premium of Rs. 33.00 per Equity share) aggregating Rs. 356.04 lakhs.
Of which:	
Market Maker Reservation Portion	42,000 Equity Shares of face value of Rs.10/- each at a price of Rs.43.00 per Equity Share (including a share premium of Rs.33.00 per Equity share) aggregating Rs. 18.06 lakhs.
Net Issue to the Public	7,86,000 Equity Shares having face value of Rs.10.00 each at a price of Rs. 43.00 per Equity Share (including a share premium of Rs. 33.00 per Equity share) aggregating Rs. 337.98 lakhs.
Of Which:	
A. Retail Portion (3)	3,93,000 Equity Shares of face value of Rs.10/- each at a price of Rs. 43.00 per Equity Share (including a share premium of Rs.33.00 per Equity share) aggregating Rs. 168.99 lakhs i.e. 50% of the Net Issue shall be available for allocation to Retail Individual Investors.
B. Non-Retail Portion(3)	3,93,000 Equity Shares of face value of Rs.10/- each at a price of Rs.43.00 per Equity Share (including a share premium of Rs.33.00 per Equity share) aggregating Rs. 168.99 lakhs i.e. 50% of the Net Issue shall be available for allocation for investors other than Retail Individual Investors.
Pre and Post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	22,47,434 Equity Shares
Equity Shares outstanding after the Issue	30,75,434 Equity Shares
Use of Net Proceeds	For details, please see the chapter titled "Objects of the Issue" beginning on page 88.

(1) This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018. For further details, Please refer to section titled "Issue Related Information" beginning on page 210.



(2) The Issue has been authorized by a resolution of our Board of Directors dated July 21, 2021 and by a special resolution of our Shareholders in their EGM dated July 28, 2021.

(3) As per Regulation 253 (2) of the SEBI (ICDR) Regulations, 2018 as amended, the allocation in the net offer Category shall be as follows:

(a) Minimum fifty per cent to retail individual investors; and

(b) Remaining to:

(i) Individual applicants other than retail individual investors; and

(ii) Other investors including corporate bodies or institutions, irrespective of the number of specified Securities applied for;

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

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

For further details regarding the Issue Structure and Issue Procedure, kindly refer to the chapters titled “Issue Structure” and “Issue Procedure” beginning on pages 217 and 220 respectively.

SUMMARY OF OUR FINANCIALS
RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

Particulars	31.03.21	31.03.20	31.03.19
Equity & Liabilities			
Shareholders' Funds			
Share Capital	5.91	5.51	4.75
Reserve & Surplus	734.73	671.79	399.87
Total (A)	740.64	677.30	404.62
Non Current Liabilities			
Share Application Money	-	-	-
Long Term Borrowings	1320.34	1002.77	538.58
Deferred Tax Liabilities (Net)	-	-	-
Other Long Term Liabilities	-	-	-
Total (B)	1320.34	1002.77	538.58
Current Liabilities			
Short Term Borrowings	-	-	101.09
Trade Payables	2.02	86.70	26.01
Other Current Liabilities	0.30	0.12	1.88
Short Term Provisions	2.64	-	-
Total (C)	4.96	86.82	128.98
Total (D=A+B+C)	2065.94	1766.89	1072.18
Assets			
Non Current Assets			
Fixed Assets:			
(i) Tangible Assets	1777.36	1678.56	746.78
(ii) Intangible Assets	-	-	-
(iii) Capital Work in Progress	-	-	-
(iv) Intangible Assets under development	-	-	-
Long Term Loans & Advances	90.98	79.08	284.34
Non Current Investments	-	-	-
Deferred Tax Assets (Net)	2.39	-	-
Other Non Current Assets	-	-	0.06
Total (E)	1870.73	1757.64	1031.18
Current Assets			
Current Investments	-	-	-
Inventories	37.55	-	-
Trade Receivables	-	5.50	-
Cash & Bank Balances	5.78	2.67	2.78
Short Term Loans & Advances	-	-	-
Other Current Assets	151.88	1.08	38.22
Total (F)	195.21	9.25	41.00
Total (G=E+F)	2065.94	1766.89	1072.18

RESTATED STATEMENT OF PROFIT AND LOSS
(Rs. in Lakhs)

Particulars	31.03.21	31.03.20	31.03.19
Income			
Revenue from Operations	81.25	5.50	-
Other Income	0.11	0.96	0.13
Total	81.36	6.46	0.13
Expenditure			
Cost of Materials Consumed	-	-	-
Purchases of Stock in Trade	61.25	1.00	-
Changes in Inventories of Stock in Trade	(37.55)	-	-
Employee Benefit Expenses	4.73	-	-
Manufacturing, Administrative, Selling and Other Expenses	12.57	1.69	0.14
Total	41.00	2.69	0.14
Profit before Depreciation, Interest and Tax	40.36	3.77	(0.01)
Depreciation & Amortisations	21.82	-	-
Profit before Interest & Tax	18.54	3.77	(0.01)
Financial Expenses	4.45	0.61	14.42
Exceptional Items	-	-	-
Net Profit before Tax	14.09	3.16	(14.43)
Less: Provision for Taxes:			
Current Tax	3.13	-	-
Tax Expense relating to prior Years	-	-	-
Deferred Tax	2.39	-	-
Net Profit After Tax & Before Extraordinary Items	13.35	3.16	(14.43)
Extra Ordinary Items Transferred to Building and Plant & Machinery (Capitalized)	-	-	14.43
Net Profit	13.35	3.16	-



AVYUKTA DAIRY PRODUCTS LIMITED

RESTATED STATEMENT OF CASH FLOWS

(Rs. in Lakhs)

Particulars	31.03.21	31.03.20	31.03.19
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before taxes	14.09	3.16	(14.42)
Adjustment for:			
Add: Depreciation & Amortizations	21.82	-	-
Add: Financial Expenses	4.45	0.61	(14.42)
Add: Preliminary Expenses Written Off.	-	-	-
Add / (Less): Loss / (Profit) on Sale of Assets	-	-	-
Operating Profit before Working capital changes	40.36	3.77	-
Adjustments for:			
Decrease (Increase) in Inventories	(37.55)	-	-
Decrease (Increase) in Trade & Other Receivables	5.50	(5.50)	-
Decrease (Increase) in Short Term Loans & Advances and Other Current Assets (Excl Taxes)	(150.80)	37.21	(35.97)
Increase (Decrease) in Trade Payables	(84.68)	60.69	(79.77)
Increase (Decrease) in Short Term Borrowings (Excl Taxes)	-	(101.09)	101.09
Increase (Decrease) in Other Current Liabilities	0.18	(1.76)	1.76
Net Changes in Working Capital	(267.35)	(10.45)	(12.90)
Cash Generated from Operations	(226.98)	(6.68)	(12.90)
Taxes	0.49	-	-
Net Cash Flow from Operating Activities (A)	(227.47)	(6.68)	(12.90)
CASH FLOW FROM INVESTING ACTIVITIES			
Sale / (Purchase) of Fixed Assets and CWIP	(120.62)	(931.78)	(494.35)
Decrease (Increase) in Non Current Assets	(11.90)	205.26	(284.32)
Net Cash Flow from Investing Activities (B)	(132.52)	(726.51)	(778.67)
CASH FLOW FROM FINANCING ACTIVITIES			
Issue of share capital and Proceeds / (Refund) from Share Application Money	50.00	92.51	261.75
Interest & Finance Charges	(4.45)	(0.61)	(14.42)
Government Grants (Subsidy)	-	177.00	73.00
Increase / (Repayment) of Long Term Borrowings	317.56	464.18	471.13
Increase / (Repayment) of Short Term Borrowings.0	-	-	-
Decrease (Increase) in Long Term Loans & Advances	-	-	-
Net Cash Flow from Financing Activities (C)	363.11	773.09	791.46
Net Increase / (Decrease) in Cash & Cash Equivalents	3.11	(0.11)	(0.12)
Cash and cash equivalents at the beginning of the year / Period	2.67	2.78	2.90
Cash and cash equivalents at the end of the year/ Period	5.78	2.67	2.78



AVYUKTA DAIRY PRODUCTS LIMITED

GENERAL INFORMATION

Our Company was originally incorporated as “Avyukta dairy Products Private Limited” on September 23, 2016 at Delhi as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated September 23, 2016 issued by the Registrar of Companies, Delhi. Consequent upon the conversion of our Company to public limited Company, the name of our Company has been changed to “Avyukta Dairy Products Limited” vide fresh Certificate of Incorporation dated July 09, 2021 issued by the Registrar of Companies, Delhi.

For further details please refer to chapter titled “Our History and Corporate Structure” beginning on page 138.

REGISTERED OFFICE OF OUR COMPANY

Avyukta Dairy Products Limited
BB-17,
Greater Kailash Enclave-II,
New Delhi, South Delhi - 110048
CIN: U74999DL2016PLC306343
Tel. No.: 011-35594832
Email: info@avuyuktadairy.com
Website: www.avuyuktadairy.com

PROCESSING UNIT

Tehsil, Survey No.-322,
Village Bandipur, Murad Nagar,
Modi Nagar, Uttar Pradesh-201206

ADDRESS OF REGISTRAR OF COMPANIES

Our Company is registered with the Registrar of Companies, Delhi.

Address:
4th Floor, IFCI Tower,
61, Nehru Place,
New Delhi - 110019

DESIGNATED STOCK EXCHANGE

BSE LIMITED, SME PLATFORM OF BSE
P.J. Towers, Dalal Street, Mumbai, Maharashtra, 400 001

BOARD OF DIRECTORS OF OUR COMPANY

The Board of Directors of our Company consist of:

NAME	DESIGNATION	DIN	PAN	ADDRESS
Ms. Anjani Mittal	Managing Director	07917585	BXAPM5689K	E -94, Ground Floor, G.K. 1, Greater Kailash S.O., Greater Kailash, South Delhi, Delhi -

**AVYUKTA DAIRY PRODUCTS LIMITED**

NAME	DESIGNATION	DIN	PAN	ADDRESS
				110048
Ms. Sarla Duhan	Non Executive Non Independent Director	09275202	AB99D4402R	1055, Iffco Colony, Sector-17B Industrial Estate, Gurugram, Haryana India 122007
Mr. Suresh Kumar Goswami	Non Executive Independent Director	08613554	ABTPG0009K	1632, Near Ahmed Hospital, Sector 15 part 2, Gurgaon Farukhanagar, Haryana - 122001
Mr. Rao Laxman Singh	Non Executive Independent Director	08055192	AAJPY3453A	House No. 1029, sector- 17B, IFFCO Colony, gurugram - 122001, Haryana, India

For further details in relation to our Directors, please refer to chapter titled “*Our Management*” beginning on page 143.

COMPANY SECRETARY & COMPLIANCE OFFICER:

Ms. Nisha Singh
BB-17,
Greater Kailash Enclave-II,
New Delhi, South Delhi - 110048
CIN: U74999DL2016PLC306343
Tel. No.: 011-35594832
Email: info@avyuktadairy.com
Website: www.avyuktadairy.com

CHIEF FINANCIAL OFFICER:

Mr. Avdhesh Mittal
BB-17,
Greater Kailash Enclave-II,
New Delhi, South Delhi - 110048
CIN: U74999DL2016PLC306343
Tel. No.: 011-35594832
Email: info@avyuktadairy.com
Website: www.avyuktadairy.com

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

All grievances may be addressed to the Registrar to the issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The applicant should give full details such as name of the sole or first applicant, ASBA Form number, applicant DP ID, Client ID, details of UPI IDs, PAN, date of the ASBA Form, address of the applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the applicant.

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



AVYUKTA DAIRY PRODUCTS LIMITED

For all Issue related queries, and for redressal of complaints, applicant may also write to the Lead Manager. All Complaints, queries or comments received by Stock Exchange and SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

STATUTORY & PEER REVIEW AUDITORS:

M/s PAN & Co.
Chartered Accountants
190B, MIG Flats, Garud Apartments,
Pocket- IV, Mayur Vihar- I, Delhi-110091
Tel. No.: 9999103459, 9953590198
Email: parveshguptaca@gmail.com
Firm Registration No.: 013111N
Contact Person: Mr. Parvesh Gupta, Partner

LEAD MANAGER:

Navigant Corporate Advisors Limited
423, A Wing, Bonanza,
Sahar Plaza Complex,
J B Nagar, Andheri Kurla Road,
Andheri East, Mumbai-400 059
Tel.No. +91-22-41204837/49735078
Email Id- navigant@navigantcorp.com
Investor Grievance Email: info@navigantcorp.com
Website: www.navigantcorp.com
SEBI Registration Number: INM000012243
Contact Person: Mr. Sarthak Vijlani

LEGAL ADVISORS TO THE ISSUE:

M/s. RMA LEGAL
39, Mittal Chambers
Nariman Point, Mumbai
Tel No : +91-22-43470063
Website: www.rmalegal.net
Contact person: Ms. Meenakshi Acharya, Partner

REGISTRAR TO THE ISSUE:

MAS SERVICES LTD.
T-34, 2nd Floor,
Okhla Industrial Area,
Phase - II,
New Delhi - 110020,
Tel No.: +91-11-26387281/82/83
Fax No.: +91-11-26387384
E-mail ID: info@masserv.com
Website: www.masserv.com
SEBI Registration No: INR000000049
Contact Person: Mr. Sharwan Mangla



AVYUKTA DAIRY PRODUCTS LIMITED

PRINCIPAL BANKER TO THE COMPANY:

Oriental Bank of Commerce
Branch: H-15, Connaught Circus,
New Delhi-110001

ISSUE ADVISOR TO THE COMPANY

SNI CAPITAL ADVISORS
4805/24, Bharat Ram Road,
Darya Ganj,
New Delhi-110002
Tel: +91-11-43528764
Fax: +91-11-23288003
E-mail: info@snicapitaladvisors.com
Website: www.snicapitaladvisors.com
Contact Person: Mr. Vivek Jain

BANKER TO THE ISSUE AND SPONSOR BANK:

[•]

STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES:

Since, Navigant Corporate Advisors Limited is the sole Lead Manager to this issue and all the responsibilities relating to coordination and other activities in relation to the Issue shall be performed by them, hence a statement of inter-se allocation of responsibilities is not required.

SELF CERTIFIED SYNDICATE BANKS:

The list of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount ("ASBA") Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> . For details on designated branches of SCSBs collecting the ASBA Application Form, please refer to the above-mentioned SEBI link.

CREDIT RATING:

As the Issue is of Equity shares, credit rating is not required.

DEBENTURE TRUSTEES:

As this issue is not a debenture issue, the appointment of debenture trustees is not required.

**AVYUKTA DAIRY PRODUCTS LIMITED****IPO GRADING:**

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

BROKERS TO THE ISSUE:

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

MONITORING AGENCY:

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000 Lakhs and hence our Company has not appointed a monitoring agency for this issue.

However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

APPRAISING ENTITY:

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

EXPERT OPINION:

Except the report of the Statutory Auditor of our Company on the financial statements and statement of tax benefits included in this Draft Prospectus, our Company has not obtained any other expert opinion.

UNDERWRITING AGREEMENT:

The Company and the Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten by in the capacity of Underwriter to the issue.

Pursuant to the terms of the Underwriting Agreements dated [●] entered into by Company with Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	Number of Equity Shares Underwritten*	Amount Underwritten (Rupees In Lakhs)	% of Total Issue Size Underwritten
Navigant Corporate Advisors Limited 423, A Wing, Bonanza, Sahar Plaza Complex, J B Nagar, Andheri Kurla Road, Andheri East, Mumbai-400 059 Tel No. +91-22-41204837/49735078 Email Id- navigant@navigantcorp.com Investor Grievance Email: info@navigantcorp.com Website: www.navigantcorp.com	[●]	[●]	[●]

**AVYUKTA DAIRY PRODUCTS LIMITED**

Details of the Underwriter	Number of Equity Shares Underwritten*	Amount Underwritten (Rupees In Lakhs)	% of Total Issue Size Underwritten
SEBI Registration Number: INM000012243 Contact Person: Mr. Sarthak Vijlani			
Total	[•]	[•]	[•]

**Includes 42,000 Equity shares of Rs.10 each for cash of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018.*

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

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE:

Our Company has entered into an agreement dated [•] with the Lead Manager and Market Maker to fulfil the obligations of Market Making for this Issue.

Name	[•]
Correspondence Address:	[•]
Tel No.:	[•]
Fax No.:	[•]
Email:	[•]
Website:	[•]
Contact Person:	[•]
SEBI Registration No.:	[•]
Market Maker Registration Number (SME Segment of BSE)	[•]

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be Rs. 1,00,000. However, the investors with holdings of value less than Rs. 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and SME Platform of BSE from time to time.



4. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size (including 42,000 Equity Shares to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
6. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for quotes given by him.
7. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
8. The shares of the Company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE and Market Maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
9. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
10. The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
11. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market - for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
12. The Market Maker shall have the right to terminate said arrangement by giving a three month's notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker and execute a fresh arrangement.

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particulars point of time.

13. **Risk containment measures and monitoring for Market Makers:** SME Platform of BSE will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR)

Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.

- 14. Punitive Action in case of default by Market Makers:** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

- 15. Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
- 16. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:**

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

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

- 17. The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:**
- i) In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of this issue price.
 - ii) In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of this issue.

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

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

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

Additionally, the trading shall take place in TTF segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Exchange/ Platform.

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

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

CHANGES IN THE AUDITORS:

There has been no change in the statutory auditor during the three years immediately preceding the date of this Draft Prospectus except as follows:

Financial Year	Particular of Change	Reason
2019-20	M/s AKUV and Associates LLP has been appointed as the Statutory Auditors of the Company in place of M/s MARS & Associates.	M/s MARS & Associates has resigned due to preoccupation.
2020-21	M/s PAN & Co. has been appointed as the Statutory Auditors of the Company in place of M/s AKUV and Associates LLP.	M/s AKUV and Associates LLP has resigned due to preoccupation



AVYUKTA DAIRY PRODUCTS LIMITED

CAPITAL STRUCTURE

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

Amount (Rs. in Lakhs, except share data)

Sr. No.	Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
A	Authorized Share Capital 35,00,000 Equity Shares having Face Value of Rs 10/- each	350.00	-
B	Issued, Subscribed & Paid-up Share Capital before the Issue 22,47,434 Equity Shares having Face Value of Rs.10/- each fully paid up before the Issue.	224.74	-
C	Present Issue in terms of the Draft Prospectus[^] 8,28,000 Equity Shares having Face Value of Rs.10/- each with a premium of Rs. 33.00 per Equity Share.	82.80	356.04
	Which Comprises		
I.	Reservation for Market Maker portion 42,000 Equity Shares of Rs. 10/- each at a premium of Rs. 33.00 per Equity Share	4.20	18.06
II.	Net Issue[#] to the Public 7,86,000 Equity Shares of Rs.10/- each at a premium of Rs. 33.00 per Equity Share	78.60	337.98
	of which		
	3,93,000 Equity Shares of Rs.10/- each at a premium of Rs. 33.00 per Equity Share will be available for allocation for allotment to Retail Individual Investors applying for a value of up to Rs. 2.00 Lakh	39.30	168.99
	3,93,000 Equity Shares of Rs.10/- each at a premium of Rs. 33.00 per Equity Share will be available for allocation for allotment to Other Investors applying for a value of above Rs. 2.00 Lakh	39.30	168.99
D	Issued, Subscribed and Paid up Equity Share capital after the Issue 30,75,434 Equity Shares having Face Value of Rs. 10/- each	307.54	
E	Securities Premium Account		
	Before the Issue	180.52	
	After the Issue	453.76	

[#]For detailed information on the Net Issue and its allocation various categories, please refer chapter titled "The Issue" on page 49 of this Draft Prospectus.

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[^]Fresh Issue of 8,28,000 Equity Shares in terms of Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors dated July 21, 2021 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of the members held on July 28, 2021.

NOTES TO THE CAPITAL STRUCTURE**1. Changes in the Authorized Share Capital of the Company:**

Since Incorporation of our Company, the authorized share capital of our Company has been changed in the manner set forth below:

S.No.	Particulars of Increase	Cumulative no. of Equity Shares	Cumulative Authorize Share Capital (Rs. In Lakh)	Date of Meeting	Whether AGM/ EGM
1.	On Incorporation	1,00,000	10.00	-	Incorporation
2.	Increase in Authorised Share Capital from Rs. 1.00 Lakhs divided into 10,000 equity shares of Rs. 10 each to Rs. 3.00 Lakhs divided into 30,000 equity shares of Rs. 10 each	30,000	3.00	October 20, 2016	EGM
3.	Increase in Authorised Share Capital from Rs. 3.00 Lakhs divided into 30,000 equity shares of Rs. 10 each to Rs. 10.00 Lakhs divided into 1,00,000 equity shares of Rs. 10 each	1,00,000	10.00	September 01, 2018	EGM
4	Increase in Authorised Share Capital from Rs. 10.00 Lakhs divided into 1,00,000 equity shares of Rs. 10 each to Rs. 300.00 Lakhs divided into 30,00,000 equity shares of Rs. 10 each	30,00,000	300.00	May 21, 2021	EGM
5	Increase in Authorised Share Capital from Rs. 300.00 Lakhs divided into 30,00,000 equity shares of Rs. 10 each to Rs. 350.00 Lakhs divided into 35,00,000 equity shares of Rs. 10 each	35,00,000	350.00	July 19, 2021	EGM

2. History of Paid-up Share Capital of our Company:

- (a) The history of the paid-up equity share capital and the securities premium account of our company is as set out in the following table:-



AVYUKTA DAIRY PRODUCTS LIMITED

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid Up Share Capital (Rs.)	Cumulative Securities Premium (Rs.)
On Incorporation	10,000	10	10	Cash	Subscribers to MOA (refer note (i) below)	10,000	100,000	Nil
September 13, 2018	37,500	10	698	Cash	Further Allotment (refer note (ii) below)	47,500	4,75,000	2,58,00,000
February 05, 2020	7,558	10	1224	Cash	Further Allotment (refer note (iii) below)	55,058	5,50,580	3,49,75,412
September 29, 2020	4,085	10	1224	Cash	Further Allotment (refer note (iv) below)	59,143	5,91,430	3,99,34,602
May 21, 2021	21,88,291	10	N.A.	Other than Cash	Bonus Issue in the ratio of 1:37 (refer note (v) below)	22,47,434	2,24,74,340	1,80,51,692

Notes:

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

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Mohd Tawish	5,000
2.	Mr. Vikram Vaid	5,000
	Total	10,000

- (ii) Further Allotment of 37,500 Equity Shares of Rs. 10 each, details of which are given below:

S. No.	Names of Person	Number of Shares Allotted
1.	Ms. Anjani Mittal	28,100
2.	M/s. Better Homes Buildtech Private Limited	9,400
	Total	37,500

- (iii) Further Allotment of 7,558 Equity Shares of Rs. 10 each, details of which are given below:

S. No.	Names of Person	Number of Shares Allotted
1.	Ms. Anjani Mittal	6,058
2.	M/s. Better Homes Buildtech Private Limited	1,500
	Total	7,558



(iv) Further Allotment of 4,085 Equity Shares of Rs. 10 each, details of which are given below:

S. No.	Names of Person	Number of Shares Allotted
1.	Ms. Anjani Mittal	3,285
2.	M/s. Better Homes Buildtech Private Limited	800
	Total	4,085

(v) Bonus Issue of 21,88,291 Equity Shares of Rs. 10 each in the ratio of 37 Equity Share for every 1 Equity Share held, the details of Equity Shares are as under:-

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Avdhesh Mittal	1,85,000
2.	Ms. Anjani Mittal	15,70,391
3.	M/s. Better Homes Buildtech Private Limited	4,32,900
	Total	21,88,291

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

3. We have not issued any Equity Shares for consideration other than Cash except bonus issues as per details given below.

Date of Allotment	Number of Equity Shares	Names of Allottee	Relationship with the Promoters	Reasons for the Allotment	Face Value (Rs.)	Issue Price (Rs.)
May 21, 2021	21,88,291	Please refer list of allottees as per Note A (i) mentioned below	Promoter and Promoter Group	Capitalisation of Reserve to broad base the capital of the Company	10.00	N.A.

NOTE A:

(i) Bonus Issue of 21,88,291 Equity Shares of Rs. 10 each in the ratio of 37 Equity Share for every 1 Equity Share held, the details of Equity Shares are as under:-

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Avdhesh Mittal	1,85,000
2.	Ms. Anjani Mittal	15,70,391
3.	M/s. Better Homes Buildtech Private Limited	4,32,900
	Total	21,88,291

4. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013 at any point of time since incorporation.

5. Our Company has revalued its assets during the financial year 2018-19 in respect of Immovable property of the Company and however, our Company has not issued equity shares (including bonus shares) by capitalizing any revaluation reserves.

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6. Our Company has never issued any Equity Shares pursuant to any Employee Stock Option Scheme / Employee Stock Purchase Scheme. Further, we also do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. However, as and when options are granted to our employees under the Employee Stock Option Scheme, our Company shall ensure to comply with all the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014.
7. The details of Equity Shares that have been issued at a price lower than the issue price during the preceding one year from the date of this Draft Prospectus is as under:

Date of Allotment	Number of Equity Shares	Names of Allottee	Relationship with the Promoters	Reasons for the Allotment	Face Value (Rs.)	Issue Price (Rs.)
May 21, 2021	21,88,291	Please refer list of allottees as per Note A(i) mentioned below	Promoter and Promoter Group	Capitalisation of Reserve to broad base the capital of the Company	10.00	N.A.

NOTE A:

- (i) **Bonus Issue of 21,88,291 Equity Shares of Rs. 10 each in the ratio of 37 Equity Share for every 1 Equity Share held, the details of Equity Shares are as under:-**

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Avdhesh Mittal	1,85,000
2.	Ms. Anjani Mittal	15,70,391
3.	M/s. Better Homes Buildtech Private Limited	4,32,900
	Total	21,88,291

Details of Allotment made in the last two years preceding the date of this Draft Prospectus:

Except as mentioned below, we have not issued any Equity Share in the last two years preceding the date of this Draft Prospectus.

Date of Allotment	Number of Equity Shares	Names of Allottee	Relationship with the Promoters	Reasons for the Allotment	Face Value (Rs.)	Issue Price (Rs.)
February 05, 2020	7,558	Please refer list of allottees as per Note A(i) mentioned below	Promoter and Promoter Group	To infuse the funds	10	1224
September 26, 2020	4,085	Please refer list of allottees as per Note A(ii) mentioned below	Promoter and Promoter Group	To infuse the funds	10	1224
May 21, 2021	21,88,291	Please refer list of allottees as per Note A(iii)	Promoter and Promoter Group	Capitalisation of Reserve to broad base the capital of	10	N.A.



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Date of Allotment	Number of Equity Shares	Names of Allottee	Relationship with the Promoters	Reasons for the Allotment	Face Value (Rs.)	Issue Price (Rs.)
		mentioned below		the Company		

NOTE A:

(i) Further Allotment of 7,558 Equity Shares of Rs. 10 each, details of which are given below:

S. No.	Names of Person	Number of Shares Allotted
1.	Ms. Anjani Mittal	6,058
2.	M/s. Better Homes Buildtech Private Limited	1,500
	Total	7,558

(ii) Further Allotment of 4,085 Equity Shares of Rs. 10 each, details of which are given below:

S. No.	Names of Person	Number of Shares Allotted
1.	Ms. Anjani Mittal	3,285
2.	M/s. Better Homes Buildtech Private Limited	800
	Total	4,085

(iii) Bonus Issue of 21,88,291 Equity Shares of Rs. 10 each in the ratio of 37 Equity Share for every 1 Equity Share held, the details of Equity Shares are as under:-

S. No.	Names of Person	Number of Shares Allotted
1.	Mr. Avdhesh Mittal	1,85,000
2.	Ms. Anjani Mittal	15,70,391
3.	M/s. Better Homes Buildtech Private Limited	4,32,900
	Total	21,88,291

8. Capital Build up in respect of shareholding of our Promoters:

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

MS. ANJANI MITTAL									
Date of Allotment / Transfer	Consideration	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)	Nature of Transactions	Source of Fund	Pledge	Pre-issue shareholding %	Post-issue shareholding %
16.07.2018	Cash	5,000	10	10	Transfer from Mr. Mohd Tawish (500 Equity Share) and Mr. Avdhesh	Own Funds	No		



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MS. ANJANI MITTAL									
Date of Allotment / Transfer	Consideration	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)	Nature of Transactions	Source of Fund	Pledge	Pre-issue shareholding %	Post-issue shareholding %
					Mittal (4500 Equity Shares)				
13.09.2018	Cash	28,100	10	698	Further Allotment	Own Funds	No		
05.02.2020	Cash	6,058	10	1224	Further Allotment	Own Funds	No		
29.09.2020	Cash	3,285	10	1224	Further Allotment	Own Funds	No		
21.05.2021	Other than Cash	15,70,391	10	N.A.	Bonus Issue	N.A.	No		
Total		16,12,834						71.76	52.44

b. Details of Promoter's Contribution:

Pursuant to Regulation 236 and Regulation 238 of the SEBI (ICDR) Regulations, 2018 an aggregate of 20% of the post-Issue Equity Share capital of our Company held by our Promoters shall be considered as Promoters' Contribution ("Promoters' Contribution") and shall be locked-in for a period of three years from the date of allotment of equity shares issued pursuant to this Issue. The lock in of Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares. We further confirm that Minimum Promoters' Contribution of 20.16% of the post Issue Paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

Details of the Equity Shares (eligible for inclusion in the Minimum Promoters Contribution, in terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018) forming part of Minimum Promoters Contribution and proposed to be locked-in for a period of three years from the date of allotment are as follows:

The details of Minimum Promoters' Contribution are as follows:

Name of the Promoter	Date of Allotment	Nature of Allotment	No. of Shares	Face Value (Rs.)	Issue Price (Rs.)	%age of promoters' contribution to total issued capital	
						Pre-issue	Post-issue
Ms. Anjani Mittal	21.05.2021	Allotment through Bonus Issue	6,20,000	10	N.A.	19.37	13.77
			6,20,000			27.59	20.16

For details on the build-up of the Equity Share capital held by our Promoters, please refer to "Build-up of our Promoter's shareholding in our Company" in section "Capital Structure" beginning on page 63.



Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20.16% of the fully diluted Post-Issue Equity Share Capital of our Company as Minimum Promoter's Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Minimum Promoter's Contribution from the date of filing this Draft 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.

The minimum Promoter's Contribution has been brought in to the extent of not less than the specified minimum lot and from persons identified as "promoter" under the SEBI (ICDR) Regulations.

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Minimum Promoter's Contribution under SEBI (ICDR) Regulations. Further, in terms of Regulation 237 of the SEBI (ICDR) Regulations, 2018, the Minimum Promoters' Contribution of 20.00% of the Post Issue Capital of our Company as mentioned above does not consist of;

In this regard, we confirm that:

- (i) Equity Shares acquired during the three (3) years preceding the date of this Draft Prospectus for consideration other than cash and where revaluation of assets or capitalisation of intangible assets was involved or bonus issue out of revaluations reserves or unrealised profits or against Equity Shares that are otherwise ineligible for computation of Minimum Promoters' Contribution;
- (ii) the Minimum Promoter's Contribution does not include Equity Shares acquired during the one (1) year preceding the date of this Draft Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- (iii) Our Company has not been formed by conversion of a partnership firm into a company and hence no Equity Shares have been issued in the one year immediately preceding the date of this Draft Prospectus pursuant to conversion of a partnership firm; and
- (iv) the Equity Shares held by our Promoters and offered as part of the Minimum Promoter's Contribution are not subject to any pledge.

c) Details of Equity Shares Locked-in for One (1) Year

Other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years, all pre-Issue Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Issue as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018.

d) Other requirements in respect of lock-in

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters and locked-in for one (1) year may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of the loan. Equity Shares locked-in as Minimum Promoters' Contribution for three (3) years can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Issue.



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In terms of Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters may be transferred between our Promoters and Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in applicable to the transferee for the remaining period and compliance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "Takeover Regulations").

Further, in terms of Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by persons other than our Promoters prior to the Issue and locked-in for a period of one (1) year, 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 applicable to the transferee and compliance with the provisions of the Takeover Regulations.



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9. Our Shareholding pattern

The following tables present the shareholding pattern of Our Company:

Table I - Summary of Shareholding Pattern

Category (I)	Category of shareholder (II)	Nos. of share holders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities* (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No . (a)	As a % of total Shares held (b)	No . (a)	As a % of total Shares held (b)	
								Class X	Class Y	Total								
(A)	Promoter and Promoter Group	3	2147134	-	-	2147134	95.54	2147134	-	2147134	95.54	-	95.54	-	-	-	-	-
(B)	Public	4	100300	-	-	100300	4.46	100300	-	100300	4.46	-	4.46	-	-	-	-	-
(C-)	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



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Category (I)	Category of shareholder (II)	Nos. of share holders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities* (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class X	Class Y	Total								
(C-1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C-2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	7	2247434	-	-	2247434	100.00	2247434	-	2247434	100.00	-	100.00	-	-	-	-	-



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Table II - Statement showing Shareholding Pattern of the Promoter and Promoter Group

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
		(Not to be Disclosed)							No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total								
(1)	Indian																		
(a)	Individual / Hindu Undivided Family																		
	Ms. Anjani Mittal		1	1612834	-	-	1612834	71.76	1612834	-	1612834	71.76	-	71.76	-	-	-	-	-
	Mr. Avdhesh Mittal		1	89700	-	-	89700	3.99	89700	-	89700	3.99	-	3.99	-	-	-	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



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Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
		(Not to be Disclosed)							No of Voting Rights		Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total							
(c.)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other (Corporate / LLP) M/s. Better Homes Buildtech Private Limited	-	1	444600	-	-	444600	19.78	444600	-	444600	19.78	-	19.78	-	-	-	-
	Sub Total (A-1)		3	2147134	-	-	2147134	95.54	2147134	-	2147134	95.54	-	95.54	-	-	-	-
(2)	Foreign																	



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Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
		(Not to be Disclosed)							No of Voting Rights		Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total							
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c.)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (A-2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



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Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
		(Not to be Disclosed)							No of Voting Rights		Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total							
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		3	2147134	-	-	2147134	95.54	2147134	-	2147134	95.54	-	95.54	-	-	-	-



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Table III - Statement showing Shareholding Pattern of the Public shareholder

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
		(Not to be Disclosed)							No of Voting Rights		Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total							
(1)	Institutions																	
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c.)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions/Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



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Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
		(Not to be Disclosed)							No of Voting Rights		Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total							
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Central Government/ State Government(s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	Non-institutions																	
(a)	i. Individual	-	3	300	-	-	300	-	300	-	300	-	-	-	-	-	-	-



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Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
		(Not to be Disclosed)							No of Voting Rights		Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total							
	shareholders holding nominal share capital up to Rs. 2 lacs.																	
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lacs	-	1	100000	-	-	100000	4.45	100000	-	100000	4.45	-	4.45	-	-	-	-
	Mr. Roopak Dhawan	-	1	100000	-	-	100000	4.45	100000	-	100000	4.45	-	4.45	-	-	-	-
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c.)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



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Sr. No.	Category & Name of the Shareholders (I)	PA N (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C 2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
		(N ot to be Disclosed)							No of Voting Rights		Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
									Class X	Class Y	Total								
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(e)	Any Other (Corporates):																		
	Sub-Total (B)(3)	-	4	100300	-	-	100300	4.46	100300	-	100300	4.46	-	4.46	-	-	-	-	
	Total Public Shareholding (B)= (B)(1) +(B)(2)+(B)(3)	-	4	100300	-	-	100300	4.46	100300	-	100300	4.46	-	4.46	-	-	-	-	



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Table IV - Statement showing Shareholding Pattern of the Non Promoter- Non Public shareholder

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of share holder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C 2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
		(Not to be Disclosed)							No of Voting Rights			Total as a % of Total Voting Rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total							
(1)	Custodian/DR Holder																	
(a)	Name of DR Holder (if available)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub total (C)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (under SEBI (Share based Employee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



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Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of share holder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
		(Not to be Disclosed)							No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total								
	Benefit) Regulations, 2014)																		
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



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*As on date of this Draft Prospectus 1 Equity share holds 1 vote.

** Pursuant to SEBI (ICDR) Regulations, at least 20% of the post Issue Paid-up Equity Shares Capital (Minimum Promoters' Contribution) shall be locked in for a period of three years and the remaining entire shareholding shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

10. The Lead Manager and its associates do not hold any Equity Shares as on the date of this Draft Prospectus.

11. The Lead Manager and its affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company, for which they may in the future receive customary compensation.

12. Pre Issue and Post Issue Shareholding of our Promoters and Promoters' Group

Set forth is the shareholding of our Promoters and Promoter Group before and after the proposed issue:

Particulars	Pre Issue		Post Issue	
	No. of Shares	%	No. of Shares	%
Promoter:				
Ms. Anjani Mittal	16,12,834	71.76	16,12,834	52.44
Promoter Group				
Mr. Avdhesh Mittal	89,700	3.99	89,700	2.92
M/s. Better Homes Buildtech Private Limited	4,44,600	19.78	4,44,600	14.46
TOTAL	21,47,134	95.54	21,47,134	69.82

13. Details of Major Shareholders:

- a) Details of our major shareholders holding 1% or more of the paid-up capital of the company as on date of this Draft Prospectus:

Sr. No.	Names	Shares Held (Face Value of Rs. 10/- each)	% of shares held (% Pre Issue paid up Capital)*
1.	Ms. Anjani Mittal	16,12,834	71.76
2.	M/s. Better Homes Buildtech Private Limited	4,44,600	19.78
3.	Mr. Roopak Dhawan	1,00,000	4.45
4.	Mr. Avdhesh Mittal	89,700	3.99
	Total	22,47,134	100.00

*The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on the date of the Draft Prospectus.

- b) Details of our major shareholders holding 1% or more of the paid-up capital of the company as on two years prior to date of this Draft Prospectus:

Sr. No.	Names	Shares Held (Face Value of Rs. 10/- each)	% of shares held*
1.	Ms. Anjani Mittal	37,600	79.16
2.	M/s. Better Homes Buildtech Private Limited	9,400	19.79
3.	Mr. Avdhesh Mittal	500	1.05
	Total	47,500	100.00

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*The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on the date of this Draft Prospectus.

- c) Details of our major shareholders holding 1% or more of the paid-up capital of the company as on one year prior to the date of this Draft Prospectus:

Sr. No.	Names	Shares Held (Face Value of Rs. 10/- each)	% of shares held *
1.	Ms. Anjani Mittal	39,158	71.12
2.	M/s. Better Homes Buildtech Private Limited	10,900	19.80
3.	Mr. Avdhesh Mittal	5,000	9.08
	Total	55,058	100.00

*The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on the date of the Draft Prospectus.

- d) Details of our major shareholders holding 1% or more of the paid-up capital of the company as on ten days prior to the date of this Draft Prospectus:

Sr. No.	Names	Shares Held (Face Value of Rs. 10/- each)	% of shares held (% Pre Issue paid up Capital)*
1.	Ms. Anjani Mittal	16,12,834	71.76
2.	M/s. Better Homes Buildtech Private Limited	4,44,600	19.78
3.	Mr. Roopak Dhawan	1,00,000	4.45
4.	Mr. Avdhesh Mittal	89,700	3.99
	Total	22,47,134	100.00

*The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on the date of the Draft Prospectus.

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

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in Rs.)*
1	Ms. Anjani Mittal	16,12,834	19.28

15. Shareholding of our Directors and Key Managerial Personnel in our Company

Set forth below is the shareholding of our Directors and Key Managerial Personnel in our Company, as on the date of this Draft Prospectus.

Sr. No.	Names	Shares Held (Face Value of Rs. 10/- each)	% shares held (% Pre Issue paid up Capital)*
1.	Ms. Anjani Mittal	16,12,834	71.76
2.	Mr. Avdhesh Mittal	89,700	3.99

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

17. Neither, we nor our Directors and the Lead Manager to this Issue have entered into any buy-back and/or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.



18. As on the date of filing of this prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person, any option to acquire our Equity Shares after this Initial Public Offer.
19. As on the date of this Draft Prospectus, the entire Issued Share Capital, Subscribed and Paid up Share Capital of our Company is fully paid up.
20. Since the entire Issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.
21. As on the date of this Draft Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
22. The Lead Manager i.e. Navigant Corporate Advisors Limited and its associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Prospectus.
23. We hereby confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Draft Prospectus until the Equity Shares offered have been listed or application moneys refunded on account of failure of Issue.
24. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments.
25. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.
26. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange i.e. BSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
27. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
28. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
29. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
30. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
31. Our Company shall comply with such disclosure and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.



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32. As on the date of this Draft Prospectus, our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.
33. There are no Equity Shares against which depository receipts have been issued.
34. There have been no purchase or sell of Equity Shares by Promoters, Promoter Group, our Directors and relatives of our Directors during a period of six months preceding the date of this Draft Prospectus.
35. Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of this Draft Prospectus.
36. We have 7 (Seven) Shareholders as on the date of filing of this Draft Prospectus.
37. There are no safety net arrangements for this Public issue.
38. Our Promoters and Promoter Group will not participate in this Issue.
39. This Issue is being made through Fixed Price method.
40. Except as disclosed in this Draft Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation to the date of this Draft Prospectus.
41. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
42. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering the Draft Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchange within 24 hours of such transactions being completed.
43. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
44. As per RBI regulations, OCB's are not allowed to participate in the Issue.
45. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and BSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
46. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment of one lot.

**OBJECTS OF THE ISSUE**

Our Company proposes to utilize the net proceeds from the Issue towards funding the following objects and achieve the benefits of listing the equity shares on the SME Platform of BSE Limited. We believe that the listing of Equity shares will enhance our brand name and provide liquidity to the existing shareholders. Listing will also provide a public market for the Equity Shares in India.

The Issue comprises a fresh Issue of 8,28,000 Equity Shares of our Company at an Issue Price of Rs. 43 per Equity Share.

Objects of the Fresh Issue

1. To part finance working capital requirements of the Company;
2. To meet General corporate purposes;
3. To meet the expenses of the Issue.

(Collectively referred as the “Objects”)

We believe that the listing of Equity Shares will enhance our Company’s corporate image, brand name and create a public market for our Equity Shares in India.

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

Utilization of Net Proceeds

The details of the proceeds of the Issue are summarized below:

(Rs. In Lakhs)

S. No.	Particulars	Amounts
1)	Gross Proceeds	356.04
2)	(Less) Issue related expenses	30.00
3)	Net Proceeds	326.04

FUND REQUIREMENTS

We intend to utilize the Net Proceeds from the Issue, in the manner set below:

(Rs. In Lacs)

S. No.	Particulars	Amounts
1)	To part finance working capital requirements of the Company.	256.04
2)	General corporate purposes.	70.00
	Total	326.04

The requirements of the objects detailed above are intended to be funded from the Proceeds of the Issue and Internal Accruals. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

The fund requirement and deployment are based on internal management estimates and our Company’s current business plan and is subject to change in light of changes in external circumstances

**AVYUKTA DAIRY PRODUCTS LIMITED**

or costs, other financial conditions, business or strategy. These estimates have not been appraised by any bank or financial institution.

Any amount, deployed by our Company out of internal accruals towards the aforementioned objects till the date of receipt of Issue Proceeds shall be recouped by our Company from the Issue Proceeds of the Issue. In case of delays in raising funds from the Issue, our company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

As we operate in competitive environment, we may have to revise our expenditure and fund requirements as a result of variations in cost estimates, exchange rate fluctuations and external factors which may not be within the control of our management. This may entail rescheduling and revising the planned expenditures and fund requirements and increasing or decreasing expenditures for a particular purpose at the discretion of our management, within the objects.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled “Risk Factors” beginning on page 26 of this Draft Prospectus.

DETAILS OF THE OBJECTS**1. TO PART FINANCE WORKING CAPITAL REQUIREMENTS OF THE COMPANY.**

Our Business is a working capital intensive industry. Our Company has started the business operations and the increasing operations of our company will in turn lead to the increase in the requirement of working capital. The lead time for procuring the products is high and also in order to ensure readily available customized product along with a low lead time for our clients, we enjoy a lower credit period. Further, we are required to provide sufficient credit period to our clients resulting in high receivables and we enjoy minimum credit from our suppliers through against the same. We intend to increase our turnover over the years for which we would be required to provide extended credit period to our customers, but the credit period that we avail from our suppliers shall not increase substantially. This would require us to have adequate working capital to ensure a smooth and uninterrupted flow of our business operations. Accordingly, we expect a further increase in the working capital requirements in view of current and potential business operations that we may undertake. Accordingly, we have proposed to use Rs. 256.04 lakhs out of the issue proceeds to meet the long term working capital requirements.

(Rs. In lakhs)

Sr. No.	Particulars	31.03.2019	31.03.2020	31.03.2021	31.03.2022
		Audited	Audited	Audited	Forecasted
A.	Current Assets				
	Inventory	-	-	37.55	100.00
	Trade receivables	-	5.50	-	125.00
	Short Term Loans and Advances	-	-	-	85.00
	Other current assets	38.22	1.08	151.88	95.00
	Total Current Assets	38.22	6.58	189.43	335.00
B.	Current Liabilities				
	Trade payable	26.01	86.70	2.02	50.00
	Other current liabilities	1.88	0.12	0.30	0.50
	Short-term provisions	-	-	2.64	15.00
	Total Current Liabilities	27.89	86.82	4.96	65.50
C.	Working Capital Gap (A-B)	10.33	(80.24)	184.47	304.50

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Sr. No.	Particulars	31.03.2019	31.03.2020	31.03.2021	31.03.2022
		Audited	Audited	Audited	Forecasted
D.	Working Capital to be financed through Bank Loan / Internal Accruals	-	-	-	83.46
E.	Working Capital funding through IPO Proceeds	-	-	-	256.04

As per our estimates, we would require Rs. 256.04 lakhs out of the issue proceeds to meet the working capital requirements.

Justification of Holding Level

Inventories	Higher inventory requirement is in line with increase in projected sales volume from existing business and revenue generation from starting of the plant.
Trade Receivables	We have assumed Trade Receivable holding period level in financial year 2021-22 and 2022-23 slightly higher than previous financial year's holding period levels as we are expecting to allow more lenient credit period to our clients. Increase in debtors will be in line with increase in projected sales volume and revenue generation.
Trade Payables	Increase in creditors will be in line with increase in projected purchase of goods and services to service higher sales volume for existing business and future expansion of our plant.

2. TO FINANCE THE GENERAL CORPORATE PURPOSE.

The Net Proceeds will first be utilized towards the Objects set out above, as well as meeting the Issue-related expenses. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds of Rs. 30.00 Lakhs towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time. We confirm that utilization for general corporate purposes will not exceed 25% of the Net Proceeds of the Issue, in compliance with the SEBI ICDR Regulations.

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

- Strategic initiatives, including investments or acquisitions, from time to time;
- Brand building, promotional and outreach activities;
- Strengthening our infrastructure and systems and processes, in-house training initiatives, etc.;
- Repayment of present or future loans; and
- Ongoing general corporate purposes or exigencies, as approved by the Board, subject to compliance with applicable law.

The allocation or quantum of utilization 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.

APPRAISAL BY APPRAISING AGENCY

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization. The funding requirements of our Company and the deployment of the proceeds of the

**AVYUKTA DAIRY PRODUCTS LIMITED**

Issue are currently based on management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

SCHEDULE OF IMPLEMENTATION/ UTILIZATION OF ISSUE PROCEEDS

Our Company proposes to deploy the Net Proceeds in the aforesaid objects as follows:

(Rs. In lakhs)

Sr. No.	Particulars	Amount Proposed to be Deployed from Net Proceeds	Estimated Schedule of Deployment of Net Proceeds
			FY 2021-22
1)	To part finance working capital requirements of the Company.	256.04	256.04
2)	General Corporate Purpose	70.00	70.00
	Total	326.04	326.04

DETAILS OF FUNDS ALREADY DEPLOYED TILL DATE AND SOURCES OF FUNDS DEPLOYED

The funds deployed up to 31th July, 2021 pursuant to the object of this Issue as certified by the Auditors of our Company, viz. M/s. PAN & Co., Chartered Accountants pursuant to their certificate dated 23rd August, 2021 is given below:

Deployment of funds	Amount (Rs. In Lacs)
Issue Related Expenses	3.00
Total	3.00

Sources of funds	Amount (Rs. In Lacs)
Internal Accruals	3.00
Bank Finance	-
Total	3.00

ISSUE RELATED EXPENSES

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. 30.00 Lakhs.

Particulars	Amount (Rs. in Lacs)	% of Total Issue Expenses	% of Total Issue Size
Issue management fees, Underwriting Fees selling commissions, brokerages, Payment to other intermediaries such as Legal Advisors, Registrars etc.	18.00	60.00%	5.06%
Printing & Stationery, Distribution, Postage, etc.	2.50	8.33%	0.70%
Advertisement & Marketing Expenses	3.50	11.67%	0.98%
Regulatory & other expenses	6.00	20.00%	1.69%
Total	30.00	100.00%	8.43%

**BRIDGE FINANCING**

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may borrow such amounts, as may be required, from other lenders until the completion of the Issue. Further, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue. Any amount that is borrowed from lenders or drawn down from the overdraft arrangement / cash credit facility during this period to finance additional working capital needs will be repaid from the Net Proceeds of the Issue.

INTERIM USE OF FUNDS

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

MONITORING UTILIZATION OF FUNDS

As the size of the Issue does not exceed Rs. 10,000 lakhs, in terms of Regulation 16 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds. Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilized, our Company will disclose the utilization of the Issue Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Issue Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1) (a) of the Listing Regulations our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Issue Proceeds for the objects stated in this Draft Prospectus.

CONFIRMATION REGARDING PURCHASE OF SECOND-HAND EQUIPMENT AND MACHINERY

No second-hand equipment and machinery are proposed to be purchased by our Company from the Net Proceeds.

OTHER CONFIRMATIONS

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

VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the Postal Ballot Notice) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall



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simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

**BASIS FOR ISSUE PRICE**

The face value of the Equity Shares is Rs.10.00 and Issue Price is Rs. 43.00 per Equity Share and 4.30 times of the face value.

The Issue Price has been determined by our Company in consultation with the Lead Manager and justified by our Company in consultation with the Lead Manager on the basis of the below mentioned information.

Investors should also refer to the sections titled “Our Business”, “Risk Factors” and “Financial Statements” on page 111, 26 and 160 respectively of this Draft Prospectus, to have an informed view before making an investment decision.

Qualitative Factors

We believe that our business strengths listed below enable us to remain competitive in the businesses:

- 1) **Integrated business model and cost efficient operations** - We have an integrated business model which encompasses a combination of activities including co manufacturing and supply of ingredients for specific milk. We believe our integrated operations, together with our quality control measures, large scale operations and efficient management systems optimize our cost structure and ensure quality products.
- 2) **Strategic Location of our manufacturing facility** - Our Manufacturing Facility is strategically located near the source of raw materials to ensure cost savings and optimum logistic benefits. Our Manufacturing plant is situated in Uttra pradesh. We believe that our modern equipment, trained work force, stringent operational and quality control procedures, integrated information technology infrastructure and managerial expertise result in greater operational efficiencies as well as compliance with quality and hygiene standards.
- 3) **Stringent quality control** - We believe that we are a highly quality focused company. We are committed to maintain quality and food safety at all steps of the milk processing chain from procurement of milk to dispatch of finished products. We have established a dedicated internal quality control team which has the responsibility to ensure compliance with good manufacturing practices (GMP) guidelines of relevant governing agencies in India.
- 4) **Robust milk procurement system:** In the relative absence of large scale cattle breeding and dairy farming operations in India, we believe that our milk procurement model and relationship with registered milk vendors, through continued engagement, knowledge and infrastructure support, has enabled us to contain raw milk costs and ensure supply of quality raw milk. We focus to procure a majority of our raw milk requirements directly from the registered milk vendors. However, since the commercial production is at initial stage, we have not started the procurement of milk from vendors.

For detail on qualitative factors pertaining to the pricing of this issue, please refer to “Our Business” on page 111 of this Draft Prospectus.

Quantitative factors

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Year 2018-19, 2019-20, 2020-21 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

I. Basic Earnings per Share (EPS) (on Face value of Rs. 10 per share) as per Accounting Standard 20

Year ended	EPS (Rs.)*	Weight
March 31, 2019	-	1
March 31, 2020	0.14	2
March 31, 2021	0.59	3
Weighted average	0.34	

**Post bonus*

- EPS Calculations have been done in accordance with Accounting Standard 20-“Earning per Share” issued by the Institute of Chartered Accountants of India
- Basic earnings per share are calculated by dividing the net profit after tax by the weighted average number of Equity Shares outstanding during the period. Weighted Average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

II. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 43 per Equity Share of Rs. 10 each fully paid up.

- Based on fiscal year as on 31st March, 2021; at EPS of Rs. 0.59 as per Restated Financial Statements, the P/E ratio is 72.88.
- Based on weighted average EPS of Rs. 0.34 as per Restated Financial Statements, the P/E ratio is 126.47.
- Industry PE*:

Particulars	P/E Ratio
Lowest	7.36
Highest	103.30
Average	110.66

*Source: www.moneycontrol.com

III. Return on Net worth (RoNW)

Year Ended	RoNW (%)	Weight
March 31, 2019	-	1
March 31, 2020	0.52%	2
March 31, 2021	1.99%	3
Weighted Average	1.17%	

- **Note:** The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year excluding miscellaneous expenditure to the extent not written off.

IV. Minimum Return on Total Net Worth post issue needed to maintain Pre Issue EPS for the year ended March 31, 2021 is 1.77% on restated financial Statements.
V. Net Asset Value per Equity Shares (NAV)

Particulars	Amount (In Rs.) On the basis of Financial Statements
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**AVYUKTA DAIRY PRODUCTS LIMITED**

Particulars	Amount (In Rs.) On the basis of Financial Statements
Net Asset Value per Equity Share as of March 31, 2021	29.78
Net Asset Value per Equity Share after the Issue	33.34
Issue Price per equity share	43.00

Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares outstanding at the end of the period.

VI. Comparison with other listed companies

There are listed companies in India in the trading of foodgrains and other agriculture products with one or more business segments common to ours and these are as given below:

Companies	EPS#	PE Ratio	RoNW %	NAV (Per Share)	Face Value (Rs. Per share)	Total Income (Rs. In Lacs)	PAT (Profit for the year)
Avyukta Dairy Products Limited ¹	0.59	72.88	1.99	29.78	10.00	81.36	13.35
Peer Group*							
Parag Milk Foods Limited (on standalone basis)	2.08	50.75	1.90	109.35	10.00	179,855.9	1,745.4
Dodla Dairy Limited (on standalone basis) ²	19.22	5.28	17.94	101.57	10.00	184,469.2	10,839.4

(1. Based on March 31, 2021 restated financial statements)

(2. The Equity Share got listed on 28th June, 2021 and we have considered NAV for calculation of PE ratio)

Source: www.bseindia.com and Audited Financial results for the year ended March 31, 2021 and for calculating PE ratio, closing market price as on 31.03.2021 or latest trading date prior to 31.03.2021 is considered.

The Company in consultation with the Lead Managers and after considering various valuation fundamentals including Book Value and other relevant factors, believes that Issue price of Rs. 43 per Equity Share for the Public Issue is justified in view of the above parameters.

For further details refer to the section titled “**Risk Factors**” beginning on page 26 and the financials of the Company including profitability and return ratios, as set out in the section titled “**Financial Information**” beginning on page 160 of this Draft Prospectus for a more informed view.



STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors,
Avyukta Dairy Products Limited
BB-17 Greater Kailash Enclave-II, New Delhi, South Delhi - 110048

Dear Sirs,

Sub: Statement of possible special tax benefits (“the Statement”) available to Avyukta Dairy Products Limited (“The Company”) and its shareholders prepared in accordance with the requirement in Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (“The Regulation”).

We hereby report that the enclosed annexure prepared by Avyukta Dairy Products Limited, states the possible special Tax benefits available to Avyukta Dairy Products Limited (“the Company”) and the shareholders of the Company under the Income - Tax Act, 1961 (‘Act’), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives, the Company may or may not choose to fulfill.

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

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

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

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

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

We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

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



ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the direct tax laws in India for the financial year 2021-22.

A. Special Tax Benefits available to the Company under the Income Tax Act, 1961 (THE “ACT”):

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

B. Special Tax Benefits available to the shareholders of the Company under the Income Tax Act, 1961 (THE “ACT”)

The Shareholders of the company are not entitled to any Special tax benefits under the Act.

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. No assurance is given that the revenue authorities/courts will concur with the views expressed herein.

Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

For PAN & Co.

Chartered Accountants

Firm Registration No.-013111N

Sd/-

Parvesh Gupta

Partner

Membership No. 501296

Place: New Delhi

Date: 23rd August, 2021

UDIN:21501296AAAAGM3374

SECTION V- ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information. Investors should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this Draft Prospectus, including the information in “Our Business” and “Financial Statements” beginning on pages 111 and 160, respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, see “Risk Factors” beginning on page 26.

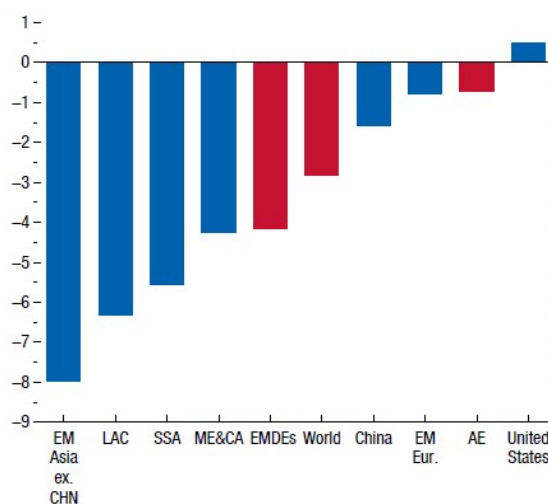
GLOBAL PROSPECTS AND POLICIES

After an estimated contraction of -3.3 percent in 2020, the global economy is projected to grow at 6 percent in 2021, moderating to 4.4 percent in 2022. The contraction for 2020 is 1.1 percentage points smaller than projected in the October 2020 WEO, reflecting the higher-than-expected growth outturns in the second half of 2020 for most regions after lockdowns were eased. The projections for 2021 and 2022 are 0.8 percentage point and 0.2 percentage point stronger than in the previous forecast, reflecting additional fiscal support in a few large economies and the anticipated vaccine-powered recovery in the second half of the year. This pace reflects continued adaptation of all sectors of the economy to the challenging health situation.

The strength of the projected recovery varies across countries, depending on the severity of the health crisis, the extent of domestic disruptions to activity (related to countries’ reliance on contact-intensive sectors), the exposure to cross-border spillovers, and— importantly—the effectiveness of policy support to limit persistent damage. Beyond 2022 global growth is projected to moderate to 3.3 percent into the medium term. Persistent damage to supply potential across both advanced and emerging market economies and slower labor force growth because of population aging (largely in advanced economies, but also in a few emerging market economies), and necessary rebalancing to a sustainable growth path in China, are all expected to weigh on the growth outlook for the global economy in the medium term. GDP levels are projected to remain well below the pre-pandemic trend path through 2024 for most countries (Figure 1.16).

In *advanced economies*, occasional regional restrictions will likely be necessary at times to stem the progression of new strains of the virus. As the vulnerable population gets vaccinated, contact-intensive activities are expected to resume and drive a significant pickup in growth thanks to pent-up demand funded by accumulated savings in 2020. Recovery paths also vary within the group. The United States is projected to return to end-of-2019 activity levels in the first half of 2021 and Japan in the second half. In the euro area and the United Kingdom,

Figure 1.16. Medium-Term GDP Losses Relative to Pre-COVID-19, by Region
(Revisions to projected 2024 GDP levels between the January 2020 and April 2021 WEO forecasts, percent)



Source: IMF staff estimates.

Note: AE = advanced economies; EM Asia ex. CHN = emerging and developing Asia excluding China; EM Eur. = emerging and developing Europe; EMEs = emerging market and developing economies; LAC = Latin America and the Caribbean; ME&CA = Middle East and Central Asia; SSA = sub-Saharan Africa.

activity is expected to remain below end-of-2019 levels into 2022. The gaps can be traced back to differences in behavioral and public health responses to infections, flexibility and adaptability of economic activity to low mobility, preexisting trends, and structural rigidities predating the crisis.

With respect to the October 2020 WEO, projections for 2021 have been revised down in Europe and up in Japan and the United States. The downward revision in Europe is more than offset by stronger-than-expected growth in the United States and Japan, reflecting additional fiscal support legislated in both countries at the end of 2020. In addition, the Biden administration's \$1.9 trillion rescue package is expected to further boost GDP over 2021-22, with significant spillovers to main US trading partners.

European countries (for example, Cyprus, Italy, Malta, Portugal, Spain), were able to salvage part of the summer tourist season by reopening in mid-2020. But this was followed by a surge in infections that forced new lockdowns in the last months of 2020, carrying over to 2021. GDP growth for 2022 has been revised up by 0.7 percentage point to 3.8 percent in the euro area and by 1.9 percentage points in the United Kingdom to 5.1 percent.

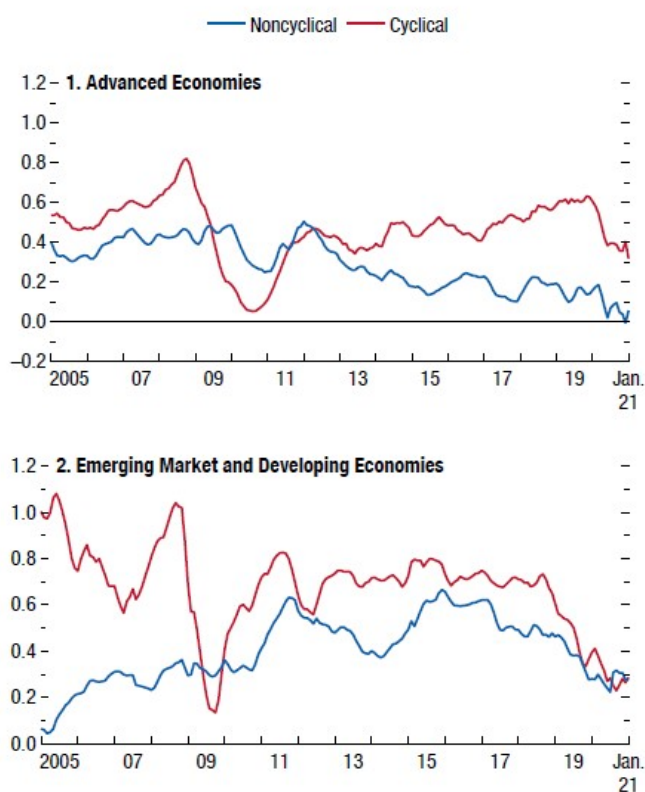
In *emerging market and developing economies*, vaccine procurement data suggest that effective protection will remain unavailable for most of the population in 2021. Lockdowns and containment measures may be needed more frequently in 2021 and 2022 than in advanced economies, increasing the likelihood of medium-term scarring effects on the potential output of these countries. Considerable differentiation is expected between China—where effective containment measures, a forceful public investment response, and central bank liquidity support have facilitated a strong recovery—and others. Tourism-based economies within this group (such as Fiji, Seychelles, Thailand) face particularly difficult prospects considering the expected slow normalization of cross-border travel. Recovery profiles vary, based on regional differences in the severity of the pandemic, economic structure (employment and GDP shares of contact-intensive sectors), exposure to specific shocks (for instance, due to reliance on commodity exports), and the effectiveness of the policy response to combat the fallout.

Inflation Pressure to Remain Contained in Most Countries

As noted, commodity prices (particularly for oil) are expected to firm up further in the months ahead. Given their record-low levels of a year ago, firmer prices should mechanically lift consumer price indices, and headline inflation, in particular, could turn volatile in coming months. The volatility should be short lived. Baseline projections show a return of inflation to its long-term average as the remaining slack

Figure 1.17. Headline Inflation: Cyclical and Noncyclical Contributions
(Percentage points)

Price inflation (excluding food and energy) has dropped in sectors usually sensitive to fluctuations in aggregate demand (cyclical) and those that are not.



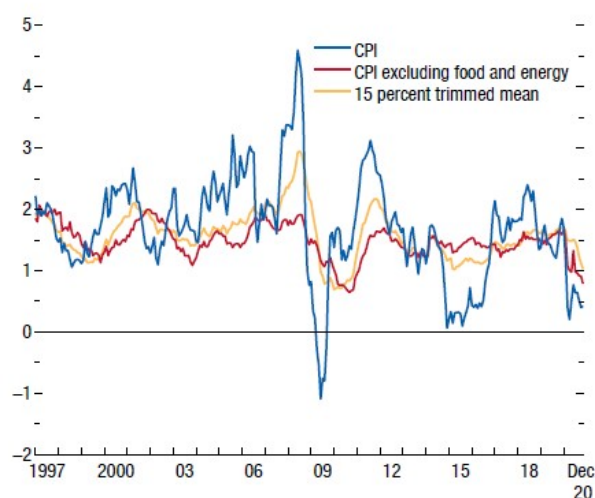
Sources: Eurostat; Haver Analytics; Organisation for Economic Co-operation and Development; and IMF staff calculations.

Note: The figure plots the time fixed effects of regressions in which three-month trailing averages of contributions to headline inflation are regressed on country and time fixed effects, with the weights being the GDP in purchasing-power-parity terms. The contribution of a component is defined as its year-over-year price change multiplied by its weight in the headline consumer price index basket.

subsidies only gradually and commodity-driven base effects fade away. The subdued outlook reflects developments in the labor market, where subdued wage growth and weak worker bargaining power have been compounded recently by high unemployment, underemployment, and lower participation rates. Moreover, various measures of underlying inflation remain low. IMF staff analysis on sectoral price developments points to muted price pressure, both in sectors where pricing is typically less sensitive to the business cycle and in sectors where prices tend to respond to aggregate demand fluctuations (Figure 1.17). Trimmed-mean inflation rates (which eliminate extreme price changes from the price distribution every month to filter out underlying inflation and provide slow-moving, unbiased estimates of price pressure) point to declining, not increasing, inflation pressure (Figure 1.18).

Figure 1.18. Trend Inflation in Advanced Economies (Percent)

Trimmed-mean inflation points to declining inflation pressure in advanced economies, in line with various measures of slack.



Sources: Cleveland Federal Reserve; Haver Analytics; and IMF staff calculations.
Note: CPI = consumer price index.

Measuring slack has arguably become more difficult during the pandemic as both supply and demand have shifted. Nevertheless, even if output gaps are less negative than currently estimated, the implications for inflation should be relatively moderate. Phillips curves have become flatter in recent years—reflecting various factors, including globalization, automation, rising market concentration, and associated higher monopsony power of firms in labor markets. For the same reason that inflation did not drop much when output gaps were large and negative during the global financial crisis, inflation is unlikely to increase much—unless output gaps become positive and very large for an extended period of time and monetary policy does not react to rising inflation expectations.

(Source: www.imf.org)

Indian Economy Overview

Introduction

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

Market size

India's real gross domestic product (GDP) at current prices stood at Rs. 195.86 lakh crore (US\$ 2.71 trillion) in FY21, as per the second advance estimates (SAE) for 2020-21.

India is the fourth-largest unicorn base in the world with over 21 unicorns collectively valued at US\$ 73.2 billion, as per the Hurun Global Unicorn List. By 2025, India is expected to have ~100 unicorns by 2025 and will create ~1.1 million direct jobs according to the Nasscom-Zinnov report 'Indian Tech Start-up'.

India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030's, for productivity and economic growth according to McKinsey Global Institute. Net employment

rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.

India's foreign exchange reserves stood at US\$ 582.04 billion, as of March 12, 2021, according to data from RBI.

Recent Developments

With an improvement in the economic scenario, there have been investments across various sectors of the economy. In 2020, the total deal value in India stood at ~US\$ 80 billion across 1,268 transactions. Of this, M&A activity contributed ~50% to the total transaction value. Private Equity - Venture Capital (PE-VC) sector recorded investments worth US\$ 47.6 billion across 921 deals in 2020. Some of the important recent developments in Indian economy are as follows:

- India's overall exports from April 2020 to February 2021 were estimated at US\$ 439.64 billion, (a 10.14% decrease over the same period last year). Overall imports from April 2020 to February 2021 were estimated at US\$ 447.44 billion (a 20.83% decrease over the same period last year).
- According to IHS Markit, Purchasing Managers' Index (PMI) for manufacturing stood at 57.5 in February 2021.
- Gross tax revenue stood at Rs. 113,143 crore (US\$ 15.58 billion) in February 2021, up from Rs. 105,361 crore (US\$ 14.51 billion).
- Cumulative FDI equity inflows in India stood at US\$ 749.39 billion between April 2000 and December 2020.
- India's Index of Industrial Production (IIP) for January 2021 stood at 135.2, against 136.6 for December 2020.
- Consumer Food Price Index (CFPI) - combined inflation was 3.87% in February 2021, against 1.96% in January 2021.
- Consumer Price Index (CPI) - combined inflation was 5.03% in February 2021, against 4.06% in January 2021.

Government Initiatives

The first Union Budget of the third decade of 21st century was presented by Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman in the Parliament on February 1, 2020. The budget aimed at energising the Indian economy through a combination of short-term, medium-term and long-term measures.

In the Union Budget 2021-22, capital expenditure for FY22 is likely to increase to increase by 34.5% at Rs. 5.5 lakh crore (US\$ 75.81 billion) over FY21 (BE) to boost the economy.

Increased government expenditure is expected to attract private investments, with production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded and measured policy support is anticipated to boost the Indian economy.

In March 2021, the Ministry of Electronics and IT (MeitY) invited applications for the second round of large-scale electronics manufacturing under the production-linked incentive (PLI) scheme. The window to apply for the scheme has been opened until March 31, 2021, which could be further extended in accordance with guidelines issued by the MeitY.

In March 2021, following the announcement of incentive schemes for mobile and IT hardware manufacturing, the government announced to consider a key scheme for establishing display fabrication units in India. The Ministry of Electronics and Information Technology (MeitY) has requested expressions of interest (EoIs) from organisations interested in establishing LCD/OLED/AMOLED/QLED-based display fabrication units in India.

In November 2020, the Government of India announced Rs. 2.65 lakh crore (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.

Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, launched Make in India initiative with an aim to boost country's manufacturing sector and increase purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

Some of the recent initiatives and developments undertaken by the Government are listed below:

- In March 2021, Flipkart announced plans to expand its grocery services to >70 cities in the next six months. As a result of this planned expansion, customers in seven key cities and >40 neighbouring cities will be able to access high-quality grocery items, deals, fast deliveries and a seamless shopping experience.
- In February 2021, Amazon India announced to start manufacturing of electronics products in India. The company plans to commence its manufacturing efforts with its contract manufacturer, Cloud Network Technology, a subsidiary of Foxconn in Chennai, and start production in 2021.
- In March 2021, India and Kuwait decided to establish a joint ministerial commission to strengthen ties in sectors such as energy, trade, investment, manpower & labour and IT. According to a joint statement, the commission will be focused on developing the best platform to strengthen alliance in areas of energy, trade, economy, investment, human resources, manpower and labour, finance, culture, information technology, health, education, defence and security.
- In March 2021, the parliament approved a bill to increase foreign direct investments (FDIs) in the insurance sector from 49% to 74%. Union Minister for Finance and Corporate Affairs, Ms. Nirmala Sitharaman, who is piloting the Bill, stated that increasing the FDI limit in the insurance sector will support insurers in boosting additional funds and overcoming financial issues.
- In March 2021, the parliament passed the 'National Commission for Allied, Healthcare Professions Bill, 2021'. Union Minister for Health and Family Welfare, Science and Technology and Earth Sciences, Mr. Harsh Vardhan stated that the law aims to meet the sector's long-standing demands and increase professional employment opportunities.
- In March 2020, the Union Cabinet approved the revised cost estimate (RCE) of the comprehensive scheme for strengthening of transmission & distribution in Arunachal Pradesh and Sikkim at an estimated cost of Rs. 9,129.32 crore (US\$ 1.26 billion) to support the economic growth in those by strengthening the intrastate transmission and distribution systems.
- In March 2020, the Union Cabinet approved a memorandum of understanding (MoU) signed between the Ministry of Agriculture and Farmers' Welfare and the Ministry of Agriculture of the Republic of Fiji to strengthen bilateral ties and collaborate in the area of agricultural and allied sectors.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is going to increase public health spending to 2.5% of the GDP by 2025.
- For implementation of Agriculture Export Policy, Government approved an outlay Rs. 2.068 billion (US\$ 29.59 million) for 2019, aimed at doubling farmers income by 2022.

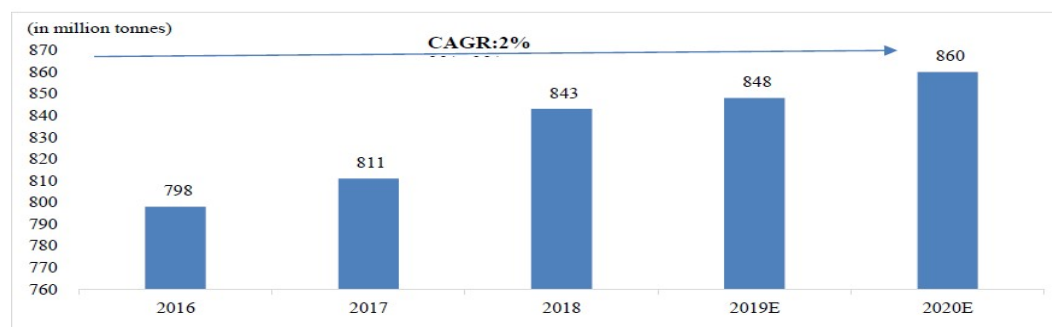
(Source: www.ibef.org)

Overview of the Global dairy industry

Global milk production increased by 1.4% in 2020

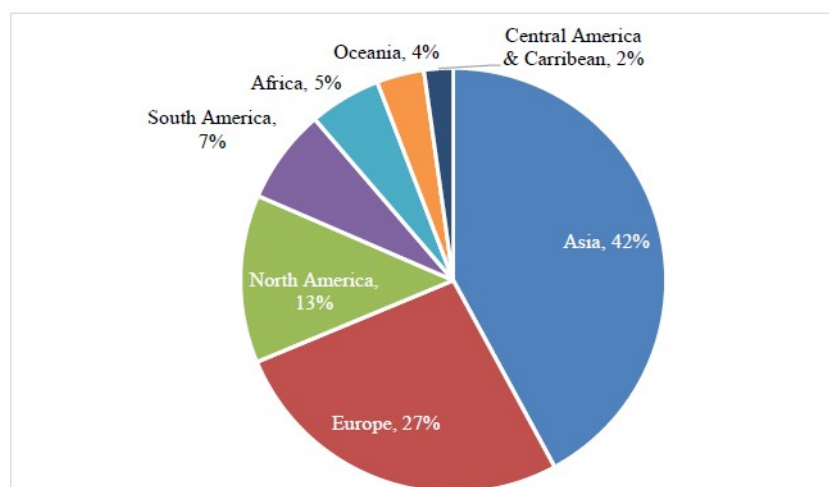
Global milk output is estimated to have reached ~860 million tonnes in CY2020, up nearly ~1.4% from 2019. The growth is in account of increase in milk production in Asia, Europe and USA. In Asia, milk output is estimated to have reached ~362 million in 2020, up ~2% on-year as a result of expansions in India, Pakistan, China and Turkey. In Turkey & China, rising cattle numbers and operational efficiency are leading to higher output. In Japan, government price support provided during the early phase of Covid-19 market disruptions helped stabilize milk output. India, the largest milk producer in the world, is also estimated to have witnessed an increase in milk production underpinned by increase in dairy cattle and improved feed & fodder availability resulting from favourable monsoon (July - September 2020). In European Union and United States, the production is bolstered by yield improvements and government assistance.

Trend in global milk production (in million tonnes)



Note: E: Estimated
Source: FAO, CRISIL Research

Worldwide regional share in total milk production (2020)



Source: FAO, CRISIL Research

Indian Dairy Industry Outlook 2022

The Indian Dairy Industry holds an inimitable space in the country for its high employment potential and for ensuring the availability of nutritious yet affordable food for India's ever increasing population. Getting the tag of largest milk producer was made possible by Operation Flood and the historic dairy cooperative movement; and as production increased, dairy industry started showing promising growth potential. Rising

disposable incomes and growing demand for dairy products are likely to fuel the Indian dairy industry's growth over the next few years.

According to our latest research report, "Indian Dairy Industry Outlook 2022", with an annual output of 138 Million Tonnes, India is the largest producer of milk in the world. It is also one of the largest producers and consumers of dairy products. Indian dairy industry also offers good opportunities to both domestic and foreign investors for entry and expansion. Due to their rich nutritional qualities, dairy products' consumption has been growing exponentially in the country; and considering various facts and figures, the study anticipates that milk production in India will further grow at a CAGR of around 14% between 2015-16 and 2021-22.

Government is progressively taking initiatives to promote the dairy industry in India, in which inclination towards cattle breeding, clean milk production, dairy development, and feed fodder management are included. The Department of Animal Husbandry, NDDB, and other government affiliated institutions manage these initiatives in a constructive way. Utilizing the available resources for dairy industry to their full extent is the main objective behind these initiatives. The manner in which Dairy industry would enhance milk production and upgrade milk processing technologies, is also supervised by these departments.

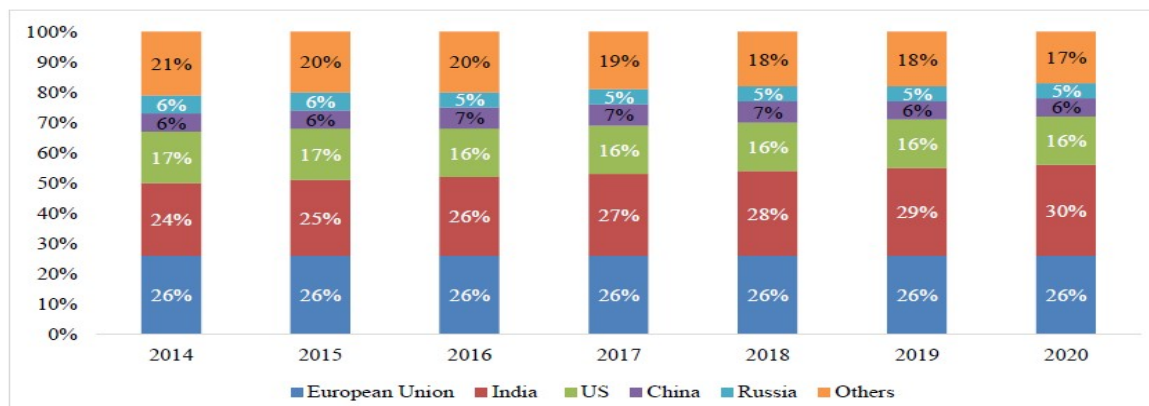
Further, the report covers analysis of the primary dairy market and markets of its sub-segments like Liquid Milk, Yoghurt, Butter, Ghee, Paneer, Cheese, Dairy Whitener, Condensed Milk, Infant Formula, Ice Cream and Cream; and EXIM data of major dairy commodities extracted through intensive primary research and detailed secondary analysis. In addition, a detailed analysis of milk production and dairy potential by region has also been provided in the report. Recent government initiatives observed to support India's dairy sector has also been included in our research report. Moreover, the emerging trends & drivers, challenges, and opportunities have been described in-depth in the report. Synchronizing all the factors, our report presents a coherent and unbiased analysis of the performance of the Indian dairy industry.

(Source: <https://www.researchandmarkets.com/reports/3600465/indian-dairy-industry-outlook-2022>)

India is the largest milk producer in the world

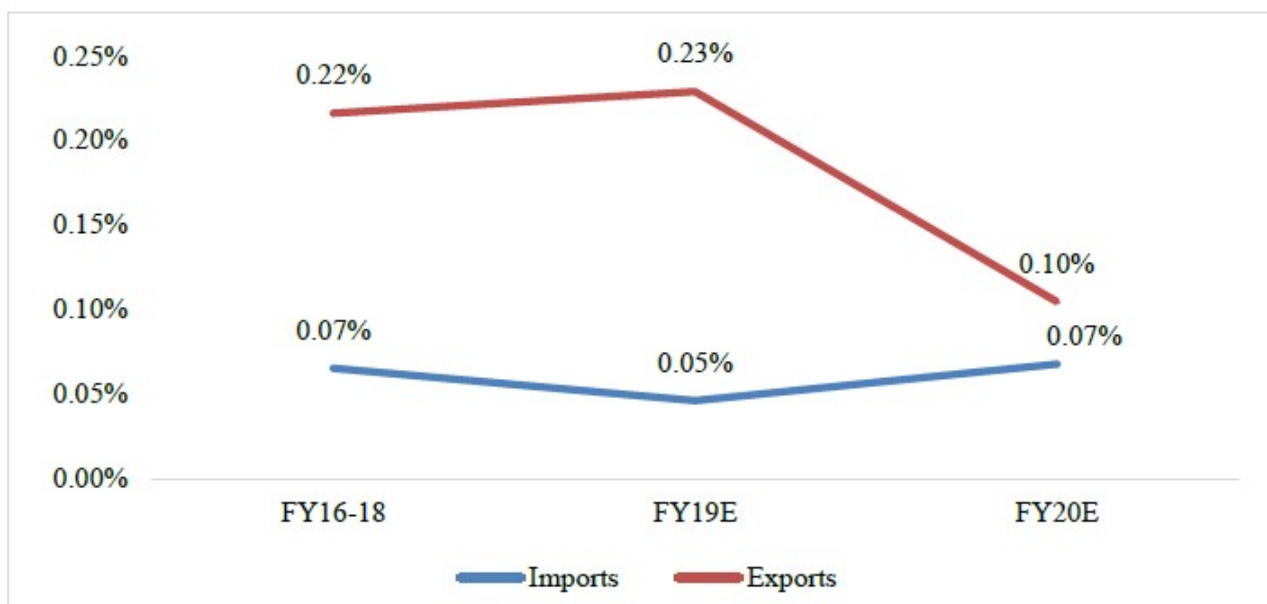
India is the global leader in milk production, contributing ~30% of milk production in 2020. Top six milk-producing countries, viz., India, USA, China, Pakistan, Brazil and Germany, together contributed more than ~60% of the world's milk production. India's share in overall production increased to 25% in 2015 from 30% in 2020.

India continues to be the largest milk producer (CY 2020)



Source: USDA, Industry, CRISIL Research

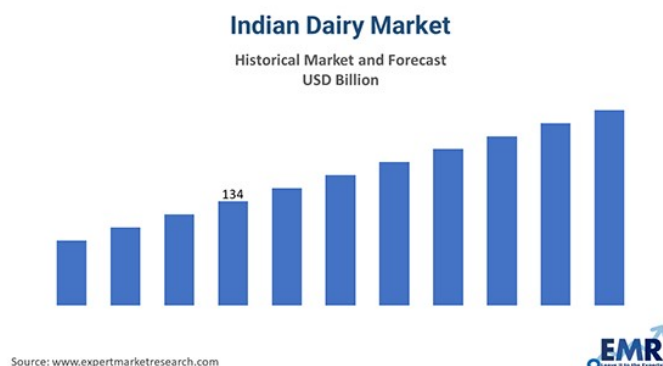
India's share of milk imports and exports as a % of total milk production



Note: E: Estimated

Source: Biannual Report on Global Food Markets (FAO), CRISIL Research

Indian Dairy Market Outlook



The Indian dairy market is focussing on increasing its milk productivity per animal. The country produces a large volume of dairy, but the per animal production, despite having the largest bovine population, is less than the world average is more than 2300 kilograms. It holds only 0.01% of the global dairy export due to high consumption within the region, a significant share of the products are sold as milk. Dairy is a crucial part of the country's economic development, providing income and employment to a large population. Nearly 80% of the rural households in the country, including landless, marginal, as well as small farmers, are engaged in milk production activities. The country has high growth potential for the development of the market and, thus, higher export volumes.

The industry also helps in social and economic development since a large population relies on the market for employment and income. The consumption of dairy, especially solid-fluid milk is extremely high in the region. The Government of India has also introduced several programs in order to increase production in the country. They are encouraging rural producers through certain initiatives and schemes. National Dairy

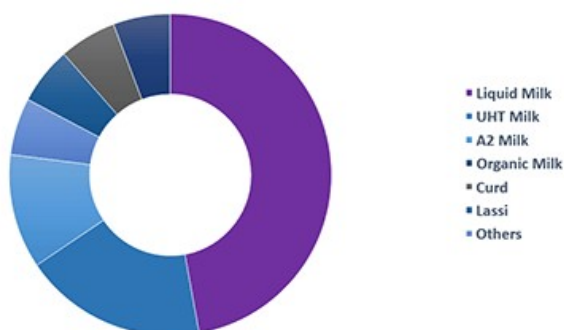
Programme Phase-I is one such programme by the government which aims to provide further impetus to the dairy production in the region. Along with rural production, multiple private companies have also been emerging in the region.

Properties and Applications

The dairy market is the market, which includes harvesting as well as the processing of animal milk products. The source could be cows, goats, buffaloes, camel, among others. A dairy is generally located on a specialized farm or even in a section of a multi-purpose farm (mixed farm) where the harvesting of dairy products take place.

Indian Dairy Market

Market Share by Product (%)



Source: www.expertmarketresearch.com

Indian Dairy Market



Source: www.expertmarketresearch.com

Market Analysis

The Indian dairy market is being driven by the high population of dairy herd. India has the largest bovine population in the world. The industry provides income and employment to a large population, thus is a growing market. The Indian dairy market is also boosted by the rising disposable income of the consumers, fuelled by the developing economy of the country. India is one of the nations with the rapidly rising population, which acts as another driver for the market. The explicit use of dairy products in the ever-growing food and beverage industry is another major driver supporting the industry growth.

The other major driver which is providing impetus to the Indian dairy market is a better system of harvesting, which is leading to better and higher productivity. The country is focussing on improving its per

animal output and taking certain initiatives for the same. The Government of India introduced the National Dairy Programme to increase the output level and provide better opportunities to dairy harvesters, driving the demand further.

The Indian dairy market is also being propelled by the entry of private companies, both national and international. These private companies come with a wide range of products catering to different demands of the consumers. Value-added dairy goods, including cheese, probiotic drinks, yoghurt, etc, are garnering more attention among the consumers. The Indian dairy market is growing due to the product's preference among the consumers for high calcium content, along with other vital nutrients, which has made it an essential part of the daily diet.

(Source: <https://www.expertmarketresearch.com/reports/indian-dairy-market>)

Indian dairy sector on a road to resilience

India is the leading producer and consumer of milk across the globe. The Indian dairy sector is divided into the organized and mostly unorganized (75%). There is a need for investment, especially for the small and marginal dairy farmers to catalyze Indian dairy production and exports.

- India has the largest bovine population of over **300 million**, producing **198.4 million tonnes** of milk in 2019-20. Despite COVID-19 induced restrictions, the organized sector is projected for a 5-6% growth i.e. **Rs 1.5 lakh crore** sectoral revenue generation in 2021-22, as per CRISIL.
- In the previous year 2020-21, the VAPs (value-added products) and sales dropped due to pandemic-induced restrictions. However, continuity of food delivery and increase in household consumption has led to a surge in demand for VAPs and liquid milk in 2021-22. This shall also lead to increased procurement prices.
- Though there is a marginal increase in the export value from the previous year, India has managed to secure an export value of **Rs 1,358.29 crores** of dairy products for the year 2020-21, with the biggest market for Indian dairy products being the UAE.
- There is a need for investment for educating and training dairy farmers and provide better infrastructure for collection, transportation, and processing of milk to augment milk productivity and maintain its quality.

India has been a leading producer and consumer of dairy products across the globe for decades. With over 300 million bovines and producing over 198 million tonnes of milk in 2019-20, the Indian dairy sector exhibits strong growth potential. This is supported by a study by the National Dairy Development Board (NDDB), which expects the demand for milk and milk products at a pan India level to be **266.5 million metric tonnes** in 2030.

With COVID-19 induced restrictions, however, the organized dairy sector was adversely affected in the last fiscal- growing by a meager 1% - the lowest in a decade. However, the sector bounced back with the organized businesses projecting a robust growth of 5-6% i.e., **1.5 lakh crore** sectoral revenue generation in 2021-22, as per a report by CRISIL. This is due to the robust demand revival for value-added products (VAP) and liquid milk. India is undergoing a transition from production of plain milk to VAPs and an unorganized/local to more organized market. With increasing population, higher disposable income, higher per-capita consumption, larger vegetarian population, demand for hygiene, etc., the demand for VAPs and milk is bound to increase.

The catapult effect

In the last fiscal, the VAP market dipped by 3%, due to the pandemic-induced restrictions that impacted restaurants, hotels, and café segments (*contributing 20% to the organized sector revenue*). In addition to this, the demand recovery in certain VAP categories such as lassi, buttermilk, flavoured milk, and ice cream that are in high demand during summers, was delayed due to prolonged restrictions.

However, in the current fiscal, the VAP market is expected to surge by an estimated 7%, spurred by demand for ghee, butter, cheese, and milk powder. Similarly, the sales of liquid milk dropped to 3% last year, as compared to the expected 5% this year. The demand for VAP products and liquid milk is expected to surge by continuing food delivery and growth in household consumption.

As a result, milk procurement prices are expected to rise by 5-7% in 2021-22. A steady rise in the procurement prices would not only enhance the profitability of the organized sector but also increase the income of the unorganized sector affiliated to rural areas. This is to incentivize farmers for taking better care of the cattle leading to higher milk production.

During the COVID-19 pandemic, India managed to export dairy products worth Rs **1,358.29 crores** (*US\$ 0.18 billion*) in 2020-21, a little more than 2019-20 (*Rs 1,341.03 crores*) to more than 110 countries as per Agricultural and Processed Food Exports Development Authority (**APEDA**).

Top 10 export markets for India's dairy exports

Country	Qty (in MT)	Exports (US\$ mn)
UAE	7193.52	35.43
Bangladesh Pr	8774.61	24.06
USA	3563.04	21.47
Bhutan	9031.98	19.11
Singapore	5218.79	13.64
Saudi Arab	2358.89	10.90
Qatar	1173.33	7.57
Australia	1060.39	7.46
Oman	1246.09	6.36
Malaysia	1923.52	5.95

UAE remains the biggest market for Indian dairy products, accounting for US\$ 35.43 million worth of dairy products followed by Bangladesh, the US , Bhutan, and Singapore.

Eliminating obstacles

COVID-19 has adversely affected employment opportunities in the Indian dairy sector, especially for the migrant workers since they were forced to move back to their homes in the rural regions. This has created uncertainty amongst the inter-state migrants due to the lack of employment prospects in villages. Further, prices of items like cheese, butter, paneer and skimmed milk powder (SMP) stooped as shops, restaurants and hotels remain closed, causing a slump in demand.

In addition, the sector is grappling with several other inefficiencies. Despite having the largest bovine population, the milk production per animal is significantly low as compared to other dairy-producing countries like the US and the UK. India's productivity per animal is very meagre, at 987 kg per lactation, compared with the global average of 2 038 kg per lactation. This is due to ineffective cattle and buffalo breeding programmes, limited extension and management on dairy enterprise development, traditional feeding practices that are not based on scientific feeding methods, and limited availability and affordability of quality feed and fodder. Moreover, a major portion of the produce is consumed domestically (*the majority being liquid milk*).

Further, the Indian dairy sector is fragmented, with 3/4th of the farmers belonging to the unorganized dairy sector, belonging to the rural sector. It has a huge untapped potential since many farmers do not have steady market linkages and access to technology, thereby leading to certain challenges. The sector can also benefit from a coherent policy governing the quality of animal feed.

Dairy farmers lack awareness when it comes to using scientific and healthy animal husbandry practices. Small and marginal farmers indulge in malpractices such as feeding low-quality fodder, using unsterile equipment for artificial insemination, failure to provide timely veterinary services, etc. There is a need for imparting knowledge and training the dairy farmers for this purpose.

The sector is also plagued by a lack of infrastructure for the collection, transportation, and processing of milk. Most of the cold storage facilities are either located a few hours away from the dairy farms or lack the proper electricity grids required to support the cold storage. The quality of milk deteriorates, till the time it reaches the ultimate customer.

Keeping this in view, the Government of India has taken initiatives to support the Indian dairy sector by extending schemes such as the Dairy Processing and Infrastructure Development Fund till 2022-23. It has also approved the Animal Husbandry Infrastructure Development scheme with budget allocation of Rs 15,000 crore. Production Linked Incentive Scheme for Food Processing Industry has also been cleared to beat the pandemic blues.

Meanwhile, the State Governments can promote the dairy business by facilitating the cooperative model in these regions and channelizing milk procurement. They can channelize funds from different Central Government schemes like Dairy Processing and Infrastructure Development Fund (*DIDF*), Dairy Entrepreneurship Development Scheme (*DEDS*), and the Supporting Dairy Cooperatives and Farmer Producer Organization (*SDCFPO*). To address the issue of farmers facing financial problems during the pandemic, a special drive was organized to distribute Kisan Credit Cards (KCCs) to dairy farmers of milk cooperatives.

These initiatives have played a significant role not only in boosting the Indian economy by increasing the dairy production and exports, but also by providing an essential means of livelihood to millions of dairy farmers, reducing rural poverty, empowering rural women, providing a regular source of income for rural households, and ensuring food security.

But enhancing investment in the sector can prove to be a promising ray of hope to help the sector not just survive but to attain a robust growth. According to media reports, private investment is much less compared to that made by the government. **Atul Chaturvedi, Secretary, Department of Animal Husbandry & Dairying** said recently that investments made in this sector can give better returns than manufacturing or services. The government is already taking measures such as vaccinating animals to eradicate diseases and planning to tag cattle with a unique identity for traceability purposes to enhance investment opportunities in the sector.

Some of the key areas for investment could be upstream & downstream supply management and milk processing opportunities. Through convergence of these public and private initiatives, the sector is poised for a robust double digit growth.

(Source: <https://www.tpci.in/indiabusinesstrade/blogs/indian-dairy-sector-on-a-road-to-resilience/>)



OUR BUSINESS

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

In this section, a reference to the “Company” means Avyukta Dairy Products Limited. Unless otherwise indicated, financial Statements included herein are based on our Financial Statements for financial year ended March 31, 2019, 2020, 2021 included in this Draft Prospectus on page 160.

Our Company was takeover by and promoted by Ms. Anjani Mittal in the year 2018.

Our Company was originally incorporated as “Avyukta dairy Products Private Limited” on September 23, 2016 at Delhi as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated September 23, 2016 issued by the Registrar of Companies, Delhi. Consequent upon the conversion of our Company to public limited Company, the name of our Company has been changed to “Avyukta Dairy Products Limited” vide fresh Certificate of Incorporation dated July 09, 2021 issued by the Registrar of Companies, Delhi.

We are engaged in manufacturing and marketing of dairy-based branded foods in India. We are an integrated milk Company in India with a focus to cater to institutional as well as retail customers. We have set up a manufacturing facility to produce fresh dairy products, including pasteurized milk, flavoured milk, sweetened condensed milk, ultra-pasteurised or ultra-high temperature (UHT) milk. Our Milk products are marketed under the mark “Aveena Milk products” which is owned by member of our Promoter Group Mr. Avdhesh Mittal who has allowed our Company to use the mark for business purpose.

Our processing facilities are strategically located at Tehsil, Survey No.-322, Village Bandipur, Murad Nagar, Modi Nagar, Uttar Pradesh-201206 having Milk processing unit/ Milk Chilling Centre of 1,50,000 Litres per day. However, Our Company is yet to start the commercial production at the plant completely and it is in the initial stage of start of production. As of July 31, 2021, we employed 22 (Twenty Two) personnel across our operations. We place significant emphasis on quality control and product safety at each step of the manufacturing process, right from the procurement of raw milk until the final product is packaged and ready for distribution. We have obtained several quality control certifications and registrations for our facilities.

Our integrated business model encompasses almost all aspects of the dairy industry value chain, including procurement of raw milk, and the production, supply and sale of a range of processed milk and dairy products. We believe that our integrated business model enables us to leverage the dairy industry value chain, ensure efficiency in costs and operating margins and exercise more control over the production process resulting in quality products.

We focus on our direct procurement model that enables to control costs and ensure quality of the raw milk procured by us.

In the past three (3) years our revenues have increased from Rs. 0.13 Lacs in F.Y. 2018-2019 to Rs. 6.46 Lacs in F.Y. 2019-20 and further to Rs. 81.36 Lacs in F.Y. 2020-21, showing an increase of 48.69% and 11.59% respectively. Our Net Profit / (Loss) after tax for the above mentioned periods are Rs. (14.43) Lacs, Rs. 3.16 Lacs and Rs. 13.35 Lacs.

**AVYUKTA DAIRY PRODUCTS LIMITED**

Details of Total Revenue for the last three (3) years are as under:

Financial year	Revenue from operations (Amt in lacs)	Other Income (Amt in lacs)	Total Revenue (Amt in lacs)	Profit before Depreciation, Interest and Tax (Amt in lacs)	Profit after Tax (Amt in lacs)
2018-2019	-	0.13	0.13	(0.01)	(14.43)
2019-2020	5.50	0.96	6.46	3.77	3.16
2020-2021	81.25	0.11	81.36	14.09	13.35

OUR KEY UNIQUE BUSINESS STRENGTHS ARE:

- 1) Integrated business model and cost efficient operations** - We have an integrated business model which encompasses a combination of activities including co manufacturing and supply of ingredients for specific milk. We believe our integrated operations, together with our quality control measures, large scale operations and efficient management systems optimize our cost structure and ensure quality products.
- 2) Strategic Location of our manufacturing facility** - Our Manufacturing Facility is strategically located near the source of raw materials to ensure cost savings and optimum logistic benefits. Our Manufacturing plant is situated in Uttar Pradesh. We believe that our modern equipment, trained work force, stringent operational and quality control procedures, integrated information technology infrastructure and managerial expertise result in greater operational efficiencies as well as compliance with quality and hygiene standards.
- 3) Stringent quality control** - We believe that we are a highly quality focused company. We are committed to maintain quality and food safety at all steps of the milk processing chain from procurement of milk to dispatch of finished products. We have established a dedicated internal quality control team which has the responsibility to ensure compliance with good manufacturing practices (GMP) guidelines of relevant governing agencies in India.
- 4) Robust milk procurement system:** In the relative absence of large scale cattle breeding and dairy farming operations in India, we believe that our milk procurement model and relationship with registered milk vendors, through continued engagement, knowledge and infrastructure support, has enabled us to contain raw milk costs and ensure supply of quality raw milk. We focus to procure a majority of our raw milk requirements directly from the registered milk vendors. However, since the commercial production is at initial stage, we have not started the procurement of milk from vendors.

OUR PROCESSING UNIT:

Our Company is having processing unit at Tehsil, Survey No.-322, Village Bandipur, Murad Nagar, Modi Nagar, Uttar Pradesh-201206.

Stated below are some of the major equipments utilized at our processing unit.

A. MILK PROCESSING EQUIPMENTS

S.No.	Equipments	Capacity	Quantity
1.	Electronic Weigh Bridge	50 MT	1
2.	Tanker Unloading Hoses	-	1
3.	Tanker Unloading Pump	20 KLPH	2



AVYUKTA DAIRY PRODUCTS LIMITED

S.No.	Equipments	Capacity	Quantity
4.	Milk Transfer Pump	10 KL	1
5.	Milk Chiller (Plate Type)	10 KLPH	1
6.	Raw Milk Storage Tank	20 KL	2
7.	Raw Milk Storage Tank	60 KL	1
8.	Milk Chiller (Plate Type)	20 KLPH	1
9.	Milk Transfer Pump	10 KLPH	1
10.	HTST Pasteurizer	10 KLPH	1
11.	Cream Separator	10 KLPH	1
12.	Standardised Milk Storage Tank	10 KL	5
13.	Milk Transfer Pump	10 KLPH	1
14.	Instrumental and Control Panel (PID Based)	-	1
15.	SS Pipes, Manual Valves and all necessary fittings	-	1
16.	Soft water heating for reconstitution of Milk	5 KLPH	1
17.	Milk Reconstitution System	1 KLPH	1
18.	Milk Transfer Pump	5 KLPH	1
19.	Overhead Tank	5 KL	2
20.	Milk Pouch Form Fill Sealing Machine	8000 PPH	4
21.	Roller Conveyor with drive to convey pouches	6 MTR	2
22.	Crates	-	10000
23.	Crates conveyor (for filled crates) with drive	4.65 MTR	1
24.	Crates conveyor (for empty crates) with drive	8.48 MTR	1
25.	Crate Washer (Straight through flat type)	1200 CRATES/HR	1
26.	Leaky pouch dump tank	500 LITRES	1
27.	Milk Transfer Pump	500 LPH	1
28.	Strainer	500 LPH	1
29.	Refrigeration System for Milk Cold Room	Suitable for 100000 LPD	1
30.	EPS Insulation Panel with door for Cold Room	10*10*3.25 MTR	1
31.	Instrumentation & Control Panel (PID Based)	-	1
32.	SS Pipes, Manual Valves and all necessary fittings	-	1
33.	Standardized Milk Storage Tank	10 KLPH	1
34.	Mix Transfer Pump	1 KLPH	1
35.	Curd Pasteurizer	5 KLPH	
36.	Holding Tube	Holding Time 6 Mins	1
37.	Curd Milk Homogenizer	5 KLPH	1
38.	Intermediate Storage Tank	2 KL	1
39.	Milk Transfer Pump	1 KLPH	1
40.	PHE Heater for curd Milk	1 KLPH	1
41.	Hot Water battery with Hot water pump for Milk	Suitable	1
42.	Milk Transfer Pump	1 KLPH	1
43.	Overhead (Inoculation) tank with agitator and gear motor for curd	1500 Lit	2
44.	Cup filling and sealing machine (for curd)	2400 cups/hour (100 to 400	1

S.No.	Equipments	Capacity	Quantity
45.	Pouch form fill sealing machine for curd/chaach/lassi	2500 PPH	1
46.	Incubation Chambers necessary accessories Electric Heater with Fan	Suitable	1
47.	Hot Insulation for incubation room	Suitable	1
48.	Refrigeration System for Curd Cold Room	Suitable for 10000 Lit	1
49.	EPS Insulation Panel with door for Curd Cold Room	6 mtr*6 mtr*3.25 mtr	1
50.	Instrumentation and control panel (PID Based)	-	1
51.	SS Pipes, Manual Valves and all necessary fittings	-	1
52.	Milk Storage Tank	10 KL	1
53.	Milk Transfer Pump	2 KLPH	1
54.	Milk Heat Treatment PHE	2 KLPH	1
55.	CIP Station		1
56.	Refrigeration Section	100 TR	1
57.	Steam Boiler	2000 kg/hr @ 10.5 kg/cm ²	1
58.	Steam Boiler Accessories	-	1
59.	Water Softening Plant for Boiler (Ion exchange based)	4 KLPH	1
60.	Reverse Osmosis Plant	10 KLPH	1
61.	Electrical	-	1
62.	Diesel Generator Set	200 KVA	2
63.	Effluent Treatment Plant	2 Lac lit/day	1
64.	Cooling Water System	-	1
65.	Air Compressor with Receiver Utility Pipes Valves and Fittings	-	1
66.	PRS Station with Steam Pipes, Valves and fittings with insulation and cladding	-	1
67.	Chilled Water Pipes, valves and fittings with insulation and cladding	-	1
68.	Compressed air pipes, valves and fittings	-	1
69.	Raw Water, Soft water pipes, valves and fittings	-	1
70.	Laboratory	-	1

B. MILK PROCESSING EQUIPMENTS

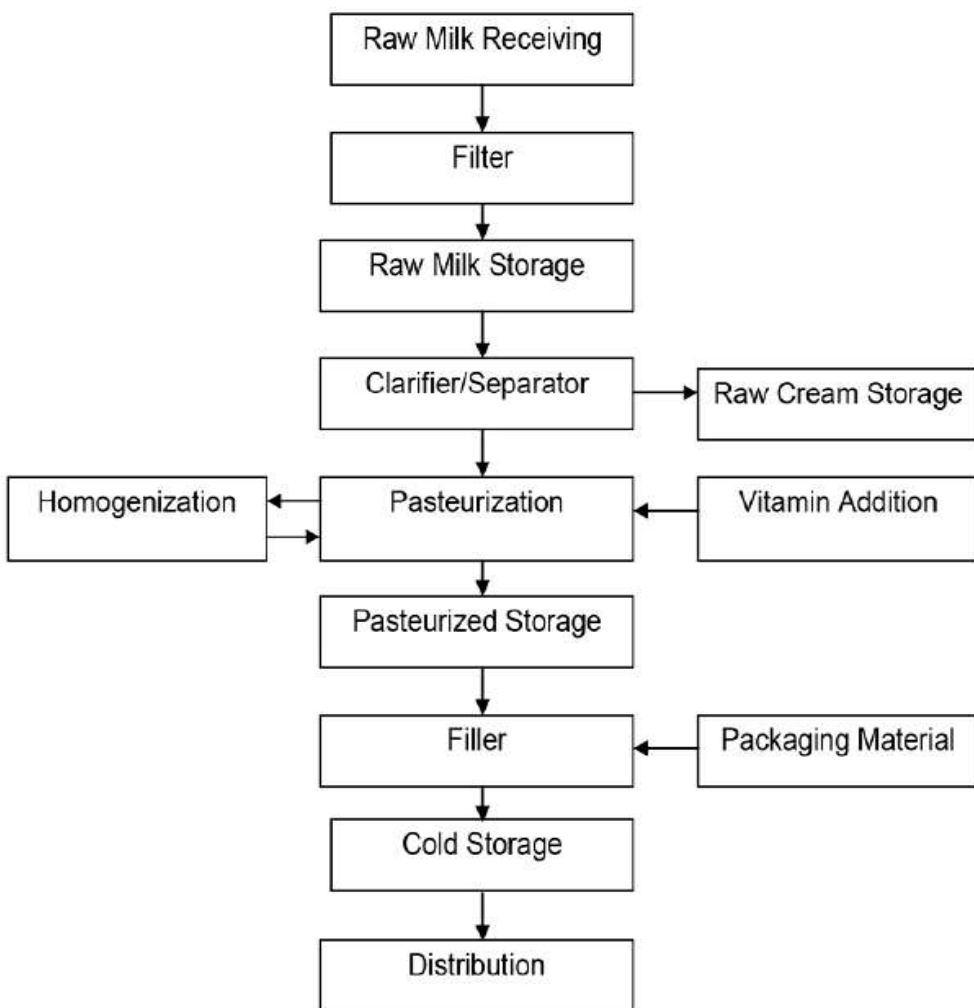
S.No.	Equipments	Capacity	Quantity
1	Cream Balance Tank	1 KL	3
2	Cream Transfer Pump	2 KLPH	1
3	Cream Pasteurizer	2 KLPH	1
4	Cream Storage Tank	2 KL	1
5	Cream Transfer Pump	2 KLPH	1
6	Butter Churn	2 KL	1
7	Butter Milk Transfer Pump	1 KLPH	1
8	Butter Milk Chiller	10 KLPH	1

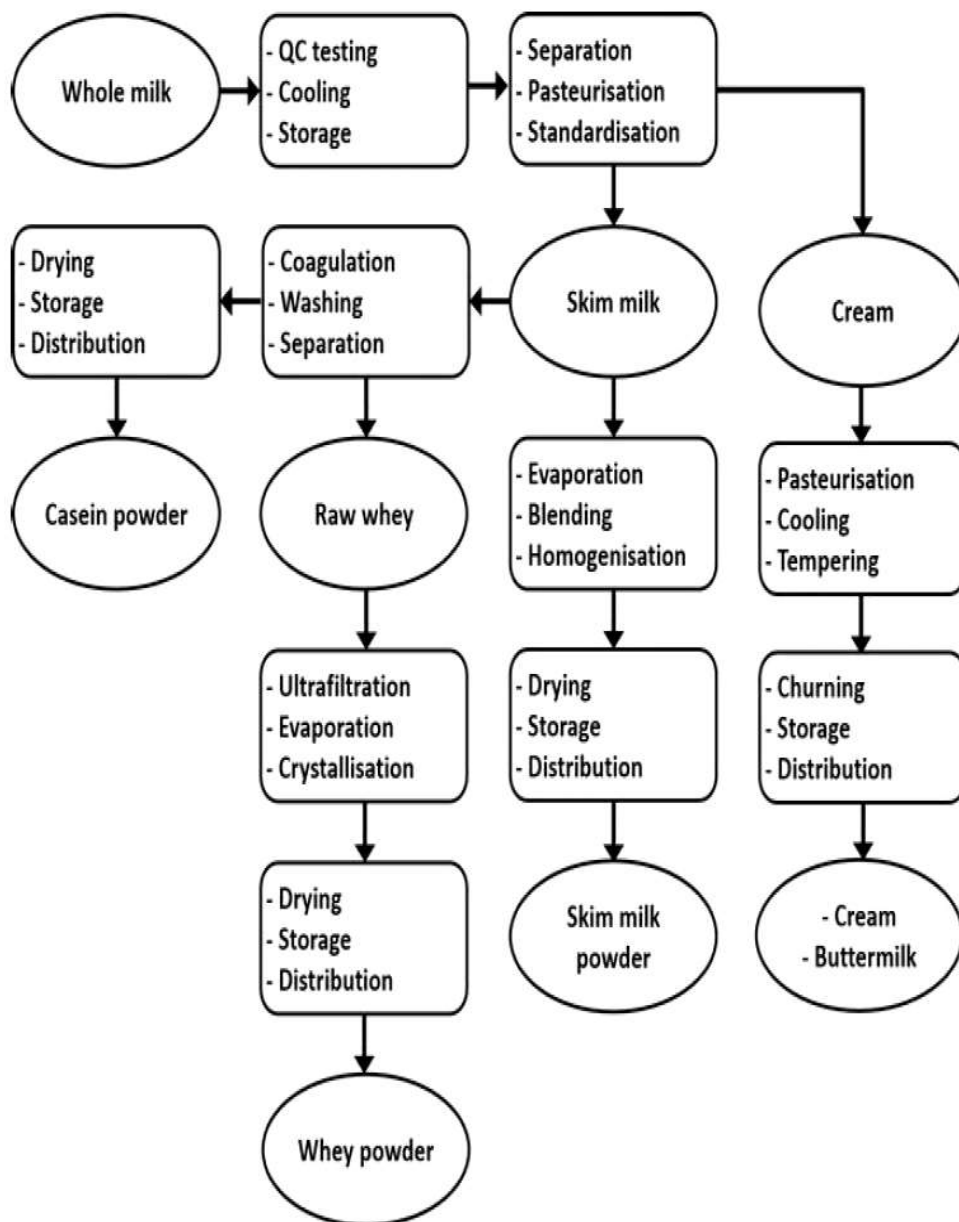
S.No.	Equipments	Capacity	Quantity
9	Butter Trolley	500 kg	3
10	Butter Melting System	1 KLPB	1
11	Molten Butter Transfer Pump	1 KLPB	1
12	Prestratification Tank	1 KL	1
13	Molten Butter Transfer Pump	1 KLPB	1
14	Ghee Boiler	1 KL	1
15	Ghee Strainer with balance tank	500 lit	1
16	Ghee Settling Tank	1 KL	1
17	Ghee Clarifier	1 KLH	1
18	Ghee Storage Tank	2 KL	1
19	Ghee Strainer with balance tank	500 lit	1
20	Ghee Tin Filling Machine	-	1
21	Ghee Tin Steamer	-	1
22	Instrumentation and Control Panel (PID Based)	-	1
23	SS Pipes, Manual valves and all necessary fittings	-	1
24	SS Tables	-	2
25	Overhead (Inoculation) tank with agitator and gear motor for chaach/lassi	10 KL	1
26	Milk Transfer Pump	1 KLPB	1
	Salt Water Dosing System for Chaach		
27	Salt Water Tank	500 lit	1
28	Salt Water Dosing Pump	0-100 lit/hour	1
	Sugar Syrup Separation Section		
29	Sugar Syrup Mixing Tank	1 KL	1
30	Sugar Syrup Transfer Pump	500 LPH	1
31	Strainer/Filter	500 LPH	1
32	Vertical Milk Cagulation Tank	1 KL	2
33	Hooping Table	-	2
34	Vertical Citric Acid Solution Preparation Tank	100 lit	1
35	Citric Acid Transfer Pump	100 LPH	1
36	Horizontal Paneer Block/ log cooling VAT Water Chilling Section	1 KL	2
37	Chilled Waters Circulation Pump	1 KLPB	1
38	Inline Filter	1 KLPB	1
39	PHE Water Chiller	1 KLPB	1
40	Paneer Press (Double Head)	Suitable	1
41	Paneer Hooves	10 kg	16
42	SS Table	2 X 1 Mtr	2
43	SS Accessories	-	1
44	Hoop Cleaning SS Tub	100 Lit	1
45	SS Hoop Sanitation Tank (Jacketed and insulated)	500 lit	1
46	SS Perforated trolley for hoop	-	1
47	Paneer Weighing M/C (platform type)	-	1
48	Paneer packing with poly liner under vacuum (Vacuum Pack)	-	1
49	Refrigeration system for Paneer Cold Room	Suitable for 2000 kg/day	1

S.No.	Equipments	Capacity	Quantity
50	Prefabricated Puff Insulation Panel 80 mm thick with door for Paneer Cold Room	6 X 6 X 2.5 Mtr	1
51	SS Pipes, Valves and Fittings	-	1
52	Instrumentation and Control Panel	-	1
53	PLC Control Full Automation System		1
54	Electrical	-	1
55	Laboratory	-	1

OUR PROCESSING PROCESS CAN BE SUMMARIZED AS UNDER:-

Production Process All our production processes begin with the procurement of milk which is tested for quality parameters before the same is sent to the relevant department for the production of our products.





LOCATIONS:

We currently operate from the following office:

Registered office: BB-17, Greater Kailash Enclave-II, New Delhi, South Delhi - 110048.

Processing Unit: Tehsil, Survey No.-322, Village Bandipur, Murad Nagar, Modi Nagar, Uttar Pradesh-201206.

COLLABORATIONS:

The Company has so far not entered into any technical or financial collaboration agreement.

**RAW MATERIAL & OTHER UTILITIES:****Raw Material:**

Our Raw Material is buffalo Milk, Cow Milk and Cream which we plan to procure from various registered vendors/ Contract milk suppliers. Following process is followed for procurement of raw material.

Raw milk from vendors is tested for quality through specialized automated machines. On completion of testing and quality approval procedures, the raw milk is transported to our production facilities. The price at which we purchase the milk is dependent on the quality of milk that is supplied to the milk collection facilities especially the fat contents in the raw milk supplied. Further, the details of milk procured, including quality, quantity, the manner of calculation of the consideration payable to each registered milk vendor and contract milk suppliers. At the time of supply of the milk, the supplier is provided with a receipt containing details of the quantity, quality, and consideration payable to the milk farmer. Subsequently, based on such data, payments are made to the milk farmers, typically on a weekly basis.

Testing and Delivery

The raw milk is tested for quality by our staff at the milk collection facilities. Each milk collection facility is equipped with computerized weighing, quality testing. Once approved and accepted, the raw milk is transported in specialized milk tanker vehicles to our production facilities.

Utilities:

Our Processing Units is located at Tehsil, Survey No.-322, Village Bandipur, Murad Nagar, Modi Nagar, Uttar Pradesh-201206. a well developed industrial belt for industry where the utilities are easily available.

Power and Water

Our operations involve a significant amount of electricity as our raw materials including milk, and dairy products are required to be stored at specified temperatures and require significant refrigeration facilities. The production processes of certain of our dairy products also require significant power. We depend on State electricity supply for our power requirements. We also use diesel generators to meet exigencies and to operate our plant during power failures. In addition, availability of water is important in relation to our production processes. To ensure adequate supply of water, tube wells have been installed within our production facilities for supply of water in addition to the routine sources of water, and we have established an ultraviolet (UV) system to treat impurities in the water by removing bacteria, harmful minerals and other impurities.

Capacity:

Our Processing unit is having total production capacity of company is 1,50,000 Litres per day. However, the commercial production has not been started at the plant.

Human Resources:

The details of manpower employed as on date are as under:

Category	No. of Employees
Management:	
Directors	1
Administration, Accounts & Finance, Marketing:	
Housekeeping, Dispatcher, Cheff, front office	8



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Category	No. of Employees
worker	
Packing Department	5
Accounts & Legal	4
Lab attendant, Canteen Staff, ETP	4
TOTAL	22

OUR BUSINESS STRATEGIES:

- 1. Expansion of Domestic Market:-**We intend to expand our geographical reach and enter the large domestic market for growth opportunities of our business. We plan to deepen our presence in the existing market and expand our reach and penetrate into the large available market by giving scale down low price solution and grab major market share.
- 2. Improving operational efficiencies:-** Our Company intends to improve efficiencies to achieve cost reductions so that they can be competitive. We believe that this can be done through domestic presence and economies of scale. Increasing our penetration in existing regions with new range of products, will enable us to penetrate into new catchment areas within these regions and optimize our infrastructure. As a result of these measures, our company will be able to increase its market share and profitability.
- 3. Promotion of our brand recognition:-**We propose to increase the brand recognition through various brand building efforts, communication and various promotional initiatives. Such promotion would enhance the visibility of our brand and also enhance our business positioning and credibility.
- 4. Leveraging our Market skills and Relationships:-**This is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to enhance the growth by leveraging our relationships and further enhancing customer satisfaction. We plan to increase our customers by meeting orders in hand on time, maintaining our customer relationship and renewing our relationship with existing buyers.
- 5. Pursue strategic acquisitions:** In order to expand, we seek to identify acquisition targets and/or joint venture partners whose resources, capabilities, technologies and strategies are complementary to and are enabling us to establish our presence in new geographical locations.
- 6. Further expand our direct milk procurement network:** We plant to procure a majority of our raw milk requirements from registered milk vendors/ Contract milk suppliers. Since our production volumes depend on the quality and quantity of raw milk we procure, we intend to further grow our direct milk procurement network by increasing the number of suppliers. By increasing the volume of raw milk procured directly from registered milk vendors, we also expect to benefit from lower raw milk costs.
- 7. Expand our product portfolio and offer specialty products:** We currently offer various milks to our customers and intend to further expand the range of our product offerings to capitalize on the growth in demand for premium dairy products in India. In order to achieve this, we intend to
 - a) Expand our product portfolio;
 - b) Offer specialty ingredient products to niche customer segments;

MARKETING STRATEGY:

We employ a variety of marketing methods to market our products and services to build our brand image and achieve the desired business results. We promote our brand awareness by carrying out the activities



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such as presentation and hoardings in different part of cities, place banners and signboards at prominent locations.

The efficiency of the marketing and sales network is critical to the success of our Company. Our success lies in the strength of our relationship with our channels that are associated with our Company. Our team through their experience owing to timely and quality delivery of services plays an instrumental role in creating and expanding a work platform for our Company.

In addition, we plan to use third-party distributors to penetrate into new geographic markets in order to benefit from their established relationship with the local sales channels. In relation to our institutional products we plan to typically engage in direct sales with our institutional clients.

We intend to expand our existing customer base by reaching out to other geographical areas and expanding our export operations. Our marketing team is ready to take up challenges so as to scale new heights.

OCCUPATIONAL HEALTH AND SAFETY

We are committed to the occupational health and safety of our workers. The management regularly sets health and safety targets to continually reduce risk of harm to employees and visitors to operational facilities. We maintain an occupational health and safety management system that defines guiding principles and standards for occupational health and safety performance. We have also set up health and safety procedures at all operational facilities with participation from our employees. Appropriate safety equipment is provided to our employees and visitors to operational facilities. Our operational facilities are regularly audited to ensure compliance for areas in which they operate, as well as for compliance with safety management system. Also any health and safety incidents are investigated and corrective actions developed.

PRODUCT DEVELOPMENT:

We face the competition in our business from other existing traders and manufacturers of same products. We compete with our competitors on a regional or product line basis. Many of our competitors have substantially large capital base, Brand and resources than we do and offer broader range products.

We believe that research and development is critical in maintaining our competitive edge. In order to keep pace with the technological developments in the dairy industry and to continually enhance our competitive advantages, we place significant emphasis on research and development. Since our establishment, we have focused our research and development efforts to improve various aspects of the milk product production and supply chain such as offering our products to address the evolving consumer preferences, ensuring product safety and efforts to improve profitability at our processing unit.

We face competition from both organized and unorganized players in the market and more specifically from different players for different sections to which we offer our Products. Our competition varies for our products and regions.

COMPETITION

The dairy industry is highly competitive, especially the markets for pasteurized milk products and milk powder products, which are experiencing rapid development and increasing competition. We compete with large multinational companies particularly with respect to milk powder products, as well as regional and local companies in each of the regions where we operate. Besides, in most product categories, we compete not only with other widely advertised branded products, but also with non-premium milk producers distributing milk in our marketing area as well as private and economy brand products that are generally sold at lower prices. In addition, a number of our competitors have also engaged in integration within the



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value chain, including making investments in dairy farms. Such strategic moves may lead to a more competitive environment.

EXPORT POSSIBILITIES & EXPORT OBLIGATION:

Our business is entirely focused on domestic markets. Currently, we do not have any outstanding export obligations.

SWOT:

Strengths: <ul style="list-style-type: none">• Cordial relations with Suppliers;• In depth knowledge of Industry - Commercial & Technical;• Established manufacturing facility;• Experienced management team	Weaknesses: <ul style="list-style-type: none">• Dependency on suppliers;• Surge in finance needs to cope up with the increased demand;• Heavy dependence on suppliers for right quality of raw materials.
Opportunities: <ul style="list-style-type: none">• Expanding New Geographical Markets;• Enhancing functional Efficiency;• Listing the company under a stock exchange will open up huge avenues of capital for the company to support its expansion plans and allows it to venture into new businesses.	Threats: <ul style="list-style-type: none">• Industry is prone to changes in government policies, any material changes in the duty or may adversely impact our financials;• Changing Technology;• There are no entry barriers in our industry which puts us to the threat of competition from new entrants;• Intense competitive pressure;• Rising labor wages.

OUR PRODUCTS:

We plan to process the following Products:

- Full cream milk;
- Tonned Milk;
- Double Tonned milk;
- Butter Milk;
- Dahi;
- Butter;
- Paneer;
- Ghee

QUALITY:

We are wholly committed to build and sustain itself as an organization where quality shall be the hallmark of every aspect. We check the entire process right from procurement of materials to final delivery. Our maximum attention is paid to upgrade our process and system to achieve consistent product quality and customer satisfaction.



Quality Policy:

Quality control and product safety are our core values and of paramount importance to our business, and we are committed to ensuring quality standards. We have established a dedicated internal quality control team which has the responsibility to ensure compliance with good manufacturing practices (GMP) guidelines of relevant governing agencies in India, and in particular:

1. Overseeing our internal quality control systems at our production facilities for procurement of raw milk at the milk collection facilities, storage and transportation of raw milk as well as storage and transportation of our products;
2. Categorizing risks perceived and initial risk evaluation with relevant departments;
3. Collecting and reporting information and updates regarding food safety, industry updates, applicable laws and regulations and quality standards on a regular basis; and
4. Establishing and enforcing quality and technical standards for raw milk, other raw materials and dairy products, as well as the production inspection mechanism and product recall policies.

Our comprehensive quality control system is divided into several stages including control during procurement and storage of raw milk, control during delivery of raw milk, control over raw materials and suppliers, control over production process, and control over storage and delivery of the finished products. In addition, we have implemented several health and safety standards and measures at our production facilities, including regular safety related education and training for our employees to increase awareness on safety at the production facilities, providing the employees with adequate safety equipment, ensuring relevant warning signs are always displayed at required locations (in English, Hindi and Marathi language), and periodic maintenance of our plant and machinery.

OUR PROPERTIES:

Registered office: BB-17, Greater Kailash Enclave-II, New Delhi, South Delhi - 110048.

Processing Unit: Tehsil, Survey No.-322, Village Bandipur, Murad Nagar, Modi Nagar, Uttar Pradesh-201206.

Note 1: Interest in Property by our Promoters and Promoter Group

Our Promoter and Promoter group do not have any interest in any property, whether leased, owned or occupied.

Note 2: Purchase of Property

We have not entered into any agreement to buy/sell any property with the promoters or Director or a proposed director who had any interest directly or Indirect during preceding two years.

Details of Property owned / taken on leased / leave & Licence by Our Company:

S.No.	Details of the Property	Licensor/Vendor	Consideration	Use	Nature of Occupancy
1.	BB-17, Greater Kailash Enclave-II, New Delhi, South Delhi - 110048	Ramada Hospitality Private Limited	Rs. 12,000 per month for a period of 11 (eleven) months w.e.f.	Registered office	Leave and License

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S.No.	Details of the Property	Licenser/Vendor	Consideration	Use	Nature of Occupancy
			16 th July, 2021.		
2.	Tehsil, Survey No.-322, Village Bandipur, Murad Nagar, Modi Nagar, Uttar Pradesh-201206.	N.A.	Rs. 60,74,000	Processing Unit	Owned

INTELLECTUAL PROPERTY:

For details of the trademarks registered in the name of our Company and the application made for registration, please refer “Government and Other Approvals” on page 198 of this Draft Prospectus.

INSURANCE:

We maintain insurance cover for our assets to cover all normal risks associated with operations of our business, including fire, accidents and other natural disasters. We typically maintain insurance policies, subject to specified limits, such as standard fire and special perils for our plants and machineries and buildings and group mediclaim policies. Not all risks associated with our business and operations may be insurable, on commercially reasonable terms, or at all. Although we believe that the amount of insurance currently maintained by us and our subsidiaries represents an appropriate level of coverage required to insure our business and operations, and is in accordance with industry standards in India, such insurance may not provide adequate coverage in certain circumstances and is subject to certain deductibles, exclusions and limits on coverage.

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant laws, regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and shall not be treated as a substitute for professional legal advice.

Further, the statements below are based on the current provisions of Indian law and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the chapter titled “Government and other Approvals” beginning on page 198.

Set forth below are certain significant legislations and regulations which generally govern the business and operations of our Company:

Business Related Laws

The Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (“L.M. Act”) governs the standards/units/denominations used for weights and measures, regulates trade and commerce in weights and measures and other goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight / measurement / numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L. M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State. The L.M. Act also provides for Legal Metrology (General) Rules, 2011, which may be followed for due compliance, if the respective State does not provide for rules in this regard.

Additionally, the L.M. Act provides for the following penalties in case of contravention of certain provisions thereof:

1. Penalty for use of weight, measure or numeration in contravention of the L.M. Act;
2. Penalty for alteration or tampering with the weight or measure;
3. Penalty for making a transaction, deal or contract in contravention of the L.M. Act.

Penalty for the buyer (buying in excess of the quantity specified, or price paid for) and seller (selling less the quantity specified, or price paid for).

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries Development and Regulations) Act 1951 as “micro enterprise where the investment in plant and machinery does not exceed one crore rupees. Small enterprise where the investment in plant and machinery is more than one crore rupees but does not exceed ten crore rupees; or a medium enterprise, where the investment in plant and machinery is more than ten crore but does not exceed fifty crore rupees and in the case of the enterprise engaged in the services.

The Food Safety and Standards Act, 2006 (the “FSSAI”)

The FSSA was enacted with a view to consolidate the laws relating to food and establish the Food Safety and Standards Authority of India (“FSSAI”) for setting out scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption. The standards prescribed by the FSSAI include specifications for ingredients, contaminants, pesticide residue, biological hazards and labels.

The FSSA also sets out requirements for licensing and registering food businesses, general principles of food safety, and responsibilities of the food business operator (“FBO”) and liability of manufacturers and sellers, and adjudication by ‘Food Safety Appellate Tribunal’.

FSSAI Guidance Note on ‘Food Hygiene and Safety Guidelines for Food Businesses during Coronavirus Disease (COVID19) Pandemic’ (“COVID-19 Guidance Note”)

The COVID-19 Guidance Note was issued with an intent to provide guidance to food businesses, including their personnel involved in handling of food and other employees to prevent spread of COVID-19 in the work environment and any incidental contamination of food/food packages. It also provides guidance in relation to operative mechanism such as establishment of an inhouse emergency response team in large food businesses to deal with suspected infections effectively. It mandates that employers should have a COVID-19 screening protocol in place to screen all personnel entering the premise.

FSSAI Guidance Note on Safety and Quality of Traditional Milk Products (“Traditional Milk Products Guidance Note”)

The Traditional Milk Products Guidance Note intends to help FBOs ensure hygiene and sanitation in manufacturing and sale of milk products, particularly sweets. It focuses on enhanced declaration by sellers (including shelf life and use of ghee/vanaspati), guide test for detection of adulteration, quality assessment by observation of flavours, body texture, colour and appearance of sweets etc. It also contains suggestions for addressing adulteration and ensuring effective regulatory compliance.

Bureau of Indian Standards Act, 2016 (the “BIS Act”)

The BIS Act provides for the establishment of a bureau for the standardisation, marking and quality certification of goods.

Farmers’ Produce Trade and Commerce (Promotion and Facilitation) Act, 2020 (“the FPTC Act”)

The FPTC Act allows farmers and traders to trade outside of designated trade areas defined under various agriculture produce marketing committee (“APMC”) laws enacted by different State legislatures of India. It allows for intra-State and inter-State trade in farmers’ produce including dairy.

Prevention of Black Marketing and Maintenance of Supplies Act, 1980

To make matters worse, in 1980 came the “Prevention of Black Marketing and Maintenance of Supplies Act.” It is an “Act for detention in certain cases or the purpose of prevention of black marketing and maintenance of supplies of commodities essential to the community and for matters concerned therewith”.

Laws relating to Employment and Labour***Child Labour (Prohibition and Regulation) Act, 1986***

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

The Payment of Gratuity Act, 1972 ("Gratuity Act")

The Payment of Gratuity Act, 1972 ("PG Act") applies to every factory and shop or establishment in which 10 (ten) or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

- a) On his/her superannuation;
- b) On his/her retirement or resignation;
- c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply).

The Workmen Compensation Act, 1923 ("WCA")

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

The Employees' Compensation Act, 1923

The Employees' Compensation Act, 1923 ("EC Act") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act")

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act") provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a Redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favors or making sexually colored remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman.

It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000 (Fifty Thousand).

Contract Labour (Regulation and Abolition) Act, 1970:

The Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA") is an act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 (twenty) or more workmen are employed or were employed on any day of the preceding 12 (twelve) months as contract labour. It also applies to every contractor who employs or who employed on any day of the preceding 12 (twelve) months, 20 (twenty) or more workmen provided that the appropriate Government may after 100 giving not less than 2 (two) months' notice, by notification in the Official Gazette, apply the provisions of the CLRA to any establishment or contractor. Further, it contains provisions regarding Central and State Advisory Board under the CLRA, registration of establishments, and prohibition of employment of contract labour in any process, operation or other work in any establishment by the notification from the State Board, licensing of contractors and welfare and health of the contract labour. The Contract Labour (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA.

Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001

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

Industrial Disputes Act, 1947 ("ID Act") and Industrial Dispute (Central) Rules, 1957

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979

This Act has been enacted with an aim to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. It is applicable to every establishment employing five or more inter-state migrant workmen or having employed in the past twelve months and to every contractor who employs or who employed five or more inter-state migrant workmen in the past twelve months. Every Principal Employer of the establishment employing inter-state migrant workmen has to make an application for the registration of the establishment in the prescribed manner and time. Also a contractor employing inter-state migrant workmen has to obtain a license for the same from the licensing officer appointed for the purpose by the Central or the State Government. The license is valid only for a specified period and requires to be renewed at its expiry. The Act levies some duties on the principal employer and the contractor. The contractor is to provide for adequate wages, medical facilities and other benefits while it is the responsibility of the principal employer to provide for the displacement allowance and journey allowance to the workmen.

The Employees State Insurance Act, 1948 ("ESI Act")

The Employees State Insurance Act, 1948 ("ESI Act") provides for certain benefits to employees in case of sickness maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

The Employees (Provident Fund and Miscellaneous Provisions) Act, 1952 ("EPF Act")

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPF Act") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 ("PB Act") is applicable to every factory and every other establishment employing 20 (twenty) or more persons. According to the provisions of the PB Act, every employer shall be bound to pay to every employee in respect of the accounting year a minimum bonus which shall be 8.33% of the salary or wage earned by the employee during the accounting year or ₹3500 (three thousand five hundred)), whichever is higher, whether or not the employer has any allocable surplus in the accounting year. If the allocable surplus exceeds minimum bonus payable, then the employer must pay bonus proportionate to the salary or wage earned during that period, subject to maximum of 20% of such salary or wage. Allocable surplus is defined as 67% of available surplus in the financial year, before making arrangements for the payment of dividend out of profit of the Company.

The Payment of Wages Act, 1936

The Payment of Wages Act, 1936 ("PW Act") is applicable to the payment of wages to persons in factories and other establishments. PW Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

The Maternity Benefit Act, 1961 ("Maternity Act")

The purpose of "Maternity Act" is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period during and after their pregnancy. It provides inter-alia for payment of maternity benefits, medical bonus and enacts prohibition on dismissal, reduction of wages paid to pregnant women etc.

The Equal Remuneration Act, 1976 ("ER Act")

The "ER Act" provides for the payment of equal remuneration to men and women workers for same work or work of a similar nature and for the prevention of discrimination, on the ground of sex, against women in the matter of employment. According to the Equal Remuneration Act, the term remuneration means the basic wage or salary and any additional emoluments whatsoever payable, either in cash or in kind, to a person employed in respect of employment or work done in such employment, if the terms of the contract of employment, express or implied, are fulfilled.

The Employees State Insurance Act, 1948

The Employees State Insurance Act, 1948 ("ESI Act") provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948 ("MW Act") came in to force with the objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MW Act, the appropriate government is authorized to fix the minimum wages to be paid to the persons employed in scheduled or non-scheduled employment. Every employer is required to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

Shops and Establishment Acts

Shops and Establishment Acts are state legislations that seek to govern and regulate the working conditions of workers/employees employed in shops and commercial establishments within that State. Every shop or commercial establishment is required to register itself under the relevant state's shop and establishment act, as per the procedure laid down therein.

The Industrial Relations Code, 2020 ("Industrial Code")

The Industrial Relations Code intends to consolidate and amend laws relating to trade unions, conditions of employment in industrial establishment or undertaking, investigation and settlement of industrial dispute. It subsumes and replaces the Industrial Disputes Act, 1947, Trade Unions Act, 1926, and Industrial Employment (Standing Orders) Act, 1946.

The Occupational Safety, Health and Working Conditions Code, 2020 ("OSHWC Code")

The OSHWC Code subsumes and replaces certain existing labour legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. It applies to factories which employ twenty or more workers when manufacturing work is undertaken using power and factories which employ forty or more workers where manufacturing work is undertaken without using power. The provisions on contract labour apply to establishments and contractors employing fifty or more contract workers on any

day in the last one year. 142 Further, the provisions on inter-State migrant workers apply to establishments employing ten or more such workers on any day in the last one year.

The Code on Wages, 2019 (“Wage Code”)

The Wage Code amends and consolidates laws relating to wages and bonus. It subsumes and replaces 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 applies to all employees of any employer. It prohibits employers from paying wages below the minimum floor wages set by the State or Central Government. It prohibits any gender discrimination in payment of wages for same or similar work. It provides for a mechanism for fixation of wage periods, deductions, and payment of wages to employees. It mandates payment of annual minimum bonus to employees drawing wages below a threshold fixed by the government. It also provides for the dispute adjudication process between employees and employers as well as civil and criminal penalties for contravention of any provisions in the Wage Code.

The Code on Social Security, 2020 (“Social Security Code”)

The Social Security Code subsumes and replaces certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The objective of the law is to extend social security to all employees and workers in organised and unorganised sectors.

Tax related legislation

Goods and Services Tax Act, 2017

The Goods and Services Tax is based on two Parliamentary Acts - the IGST (Integrated Goods and Services Tax) Act and the CGST (Central Goods and Services Tax) Act which were passed in April 2017. It is an Indirect tax which introduced to replacing a host of other Indirect taxes such as value added tax, service tax, purchase tax, excise duty, and so on. GST levied on the supply of certain goods and services in India. It is one tax that is applicable all over India.

Income-Tax Act, 1961 (“IT Act”)

The “IT Act” is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and the like. Every such company is also required to file its returns by September 30 of each assessment year.

Property related laws

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

The Transfer of Property Act, 1882

The Transfer of Property Act, 1882 (“TP Act”) as amended, establishes the general principles relating to

transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingencies and vested interest in the property. It also provides for the rights and liabilities of the vendor and purchaser in a transaction of sale of land.

Indian Stamp Act, 1899, Bombay Stamp Act, 1958 and Indian Stamp (Delhi) Amendment Act, 2001

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state.

Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of penalties, for instruments which are not sufficiently stamped or not stamped at all instruments which have not been properly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

The Indian Registration Act, 1908 (“Registration Act”)

The Indian Registration Act, 1908 “Registration Act” details the formalities for registering an instrument.

The Indian Easements Act, 1882 (“IE Act”)

The law relating to easements and licenses in property is governed by the “IE Act”. The right of easement has been defined under the Easements Act to mean a right which the owner or occupier of any land possesses over the land of another for beneficial enjoyment of his land. Such right may allow the owner of the land to do and continue to do something or to prevent and continue to prevent something being done, in or upon any parcel of land which is not his own. Easementary rights may be acquired or created by (a) an express grant; or (b) a grant or reservation implied from a certain transfer of property; or (c) by prescription, on account of long use, for a period of twenty years without interruption; or (d) local customs.

Environmental Laws

The Water (Prevention and Control of Pollution) Act, 1974 (the “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.

The Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)

Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. 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. The penalties for the failure to comply with the provisions of the Air Act include imprisonment of up to six years and the payment of a fine as may be deemed appropriate.

The Water (Prevention and Control of Pollution) Cess Act, 1977 (the “Water Cess Act”), the Water (Prevention and Control of Pollution) CESS (Amendment) Act, 2003)

The Water Cess Act provides for levy and collection of a cess on water consumed by industries with a view to augment the resources of the Central and State Pollution Control Boards constituted under the Water Act. Under this statute, every person carrying on any industry is required to pay a cess calculated on the basis of the amount of water consumed for any of the purposes specified under the Water Cess Act at such rate not exceeding the rate specified under the Water Cess Act. A rebate of up to 25% on the cess payable is available to those persons who install any plant for the treatment of sewage or trade effluent, provided that they consume water within the quantity prescribed for that category of industries and also comply with the provision relating to restrictions on new outlets and discharges under the Water Act or any standards laid down under the EPA. For the purpose of recording the water consumption, every industry is required to affix meters as prescribed. Penalties for noncompliance with the obligation to furnish a return and evasion of cess include imprisonment of any person for a period up to six months or a fine of `1,000 or both and penalty for nonpayment of cess within a specified time includes an amount not exceeding the amount of cess which is in arrears.

Environment Protection Act, 1986

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

Plastic Waste Management Rules, 2016

Under the Plastic Waste Management Rules, 2016, all institutional generators of plastic waste, are required to inter alia, segregate and store the waste generated by them in accordance with the Solid Waste Management Rules, 2016, and handover segregated wastes to authorized waste processing or disposal facilities or deposition centres, either on its own or through the authorized waste collection agency.

Draft Environment Impact Assessment Notification 2020 (“Draft EIA 2020”)

The Ministry of Environment, Forest and Climate Change issued Draft EIA 2020, on March 23, 2020. It proposes to replace the existing Environment Impact Assessment Notification, 2006. It classifies all new projects or activities, including expansion and modernization of projects or activities, into three categories, namely, Category A, Category B1 and Category B2. It contemplates two kinds of approvals, being (i) prior environment clearance from the expert appraisal committee and (ii) environmental permission from concerned regulatory authority.

Foreign Instrument Regime***The Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed there under.***

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the ‘automatic route’ within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services.

Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The department of Industrial Policy and Promotion (“DIPP”), has issued consolidated FDI Policy of 2020, which supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Reserve Bank of India (“RBI”) also issued Master Circulars on Foreign investment in India every year.

Laws with respect to Factories***The Factories Act, 1948 (the “Factories Act”), Punjab Factories Rules, 1950 and Punjab Factory (Haryana Amendment) Rules, 2016***

The Factories Act, 1948 (“Factories Act”) seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term factory, as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 (twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labor including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

Haryana Municipal Corporation Act, 1994

Haryana Municipal Corporation Act, 1994 regulates the business licenses in the state of Haryana. The act make it very clear that no person shall, without the previous permission in writing of the Commissioner, establish in any premises, or materially alter, enlarge or extend , any factory, workshop or trade premises, in which it is intended to employ steam, electricity, water or other mechanical power. The Commissioner may refuse to give such permission, if he is of the opinion that the establishment, alteration, enlargement or extension of such factory, workshop or trade premises, in the proposed position would be objectionable by reason of the density of the population in the neighborhood thereof, or would be a nuisance to the inhabitants of the neighborhood.

U.P. Municipal Corporation Act, 1959

Uttar Pradesh Municipal Corporation Act, 1959, regulates the business licenses in the state of Haryana. The act make it very clear that no person shall, without the previous permission in writing of the Commissioner, establish in any premises, or materially alter, enlarge or extend, any factory, workshop or trade premises, in which it is intended to employ steam, electricity, water or other mechanical power. The Commissioner may refuse to give such permission, if he is of the opinion that the establishment, alteration, enlargement or extension of such factory, workshop or trade premises, in the proposed position would be objectionable by reason of the density of the population in the neighborhood thereof, or would be a nuisance to the inhabitants of the neighborhood.

Uttar Pradesh Factory Rules, 1950

Uttar Pradesh Factory Rules, 1950, regulated the operations and rules of factories all over the state. It regulates employment and conduct rules for factories operating in the entire of the state with provisions for trade rules, etc.

General Laws***The Companies Act, 1956***

The Companies Act, 1956 dealt with laws relating to companies and certain other associations. It was enacted by the Parliament in 1956. The Act primarily regulated the formation, financing, functioning and winding up of companies. The Act prescribed regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constituted the main focus of the Act. In the functioning of the corporate sector, although freedom of companies was important, protection of the investors and shareholders, on whose funds they flourish, was equally important. The Act played the balancing role between these two competing factors, namely, management autonomy and investor protection.

The Companies Act, 2013

The Companies Act, 2013 ("CA 2013") has been introduced to replace the existing Companies Act, 1956 in a phased manner. The CA 2013 primarily regulates the formation, financing, functioning and winding up of companies. The CA 2013 prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of the company. It plays a fundamental role in protecting the investors and the shareholders and balances it with different aspects of company autonomy. The Ministry of Corporate Affairs has also issued Rules complementary to the Act, establishing the procedure to be followed by the companies in order to comply with the substantive provisions of the Companies Act, 2013.

The Securities and Exchange Board of India Act, 1992

The main legislation governing the activities in relation to the securities markets is the SEBI Act and the rules, regulations and notifications framed thereunder. The SEBI Act was enacted to provide for the establishment of SEBI whose function is to protect the interests of investors and to promote the development of, and to regulate, the securities market. The SEBI Act also provides for the registration and regulation of the function of various sectors. Pursuant to the SEBI Act, SEBI has formulated various rules and regulations to govern the functions and working of these intermediaries. SEBI also issues various circulars, notifications and guidelines from time to time in accordance with the powers vested with it under the SEBI Act. SEBI has the power to impose monetary penalty under the Act and the regulations made thereunder, including but not limited to suspending or cancelling the certificate of registration and to initiate prosecution under the SEBI Act.

The Indian Contract Act, 1872 (“Contract Act”)

The “Contract Act” codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

The Negotiable Instruments Act, 1881 (“NI Act”)

In India, the laws governing monetary instruments such as cheques are contained in the “NI Act”, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws(Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002.

The Competition Act, 2002

The Competition Act, 2002 (“Competition Act”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anticompetitive agreements, abuse of dominant position and combinations. The Competition Commission of India which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

The Specific Relief Act, 1963

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

Consumer Protection Act, 2019 (“COPRA”)

The COPRA came into force on July 20, 2020, and repealed the erstwhile Consumer Protection Act, 1986. It was enacted to protect the interests of consumers and to establish competent authorities for timely and effective settlement of consumer disputes. Like the earlier law, it seeks to provide a mechanism for the consumer to file a complaint against a service provider in cases of unfair trade practices, restrictive trade practices, deficiency in services, price charged being unlawful, and food served being hazardous to life. It also places product liability on a manufacturer or product service provider or product seller, to compensate for injury or damage caused by defective product or deficiency in services. It provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels.

The Arbitration and Conciliation Act, 1996

The Arbitration and Conciliation Act (“Arbitration Act”) was enacted to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration. The Act provides for the arbitral tribunal to give reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction and thus minimizing the supervisory role of courts in the arbitral process. There are many provisions that also permit an arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings to encourage settlement of disputes, to provide that every final arbitral award is enforced in the same manner as if it were a decree of the court, to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal and to provide that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

State Legislations

Uttar Pradesh Milk Act, 1976 is an act regulating the dairy market of Uttar Pradesh.

This act regulated the production and distribution of milk in the state.

U.P. Krishi Utpadan Mandi Adhiniyam, 1964,

U.P. Krishi Utpadan Mandi Adhiniyam is an act regulating procurement of milk and other agricultural products in UP’s internal market.

LAWS RELATING TO INTELLECTUAL PROPERTY

The Trademarks Act, 1999 (“TM Act”)

The “TM Act” provides for the application and registration of trademarks in India. The purpose of the Trade Marks Act is to grant exclusive rights to marks such as a brand, label and heading and to obtain relief in case of infringement for commercial purposes as a trade description.

The registration of a trademark is valid for a period of 10 years, and can be renewed in accordance with the specified procedure.

Application for trademark registry has to be made to Controller-General of Patents, Designs and TM Act who is the Registrar of Trademarks for the purposes of the TM Act. The TM Act prohibits any registration of deceptively similar trademarks or chemical compound among others. It also provides for penalties for infringement, falsifying and falsely applying trademarks.

The Patents Act, 1970 (“Patent Act”)

The purpose of the “Patent Act” in India is to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent. An application for a patent can be made by (a) person claiming to be the true and first inventor of the invention; (b) person being the assignee of the person claiming to be the true and first inventor in respect of the right to make such an application; and (c) legal representative of any deceased

person who immediately before his death was entitled to make such an application. Penalty for the contravention of the provisions of the Patents Act include imposition of fines or imprisonment or both.

The Designs Act, 2000 ("Designs Act")

The objective of "Designs Act" is to promote and protect the design element of industrial production. It is also intended to promote innovative activity in the field of industries. The Controller General of Patents, Designs and Trade Marks appointed under the Trademarks Act shall be the Controller of Designs for the purposes of the Designs Act. When a design is registered, the proprietor of the design has copyright in the design during ten years from the date of registration.

**OUR HISTORY AND CORPORATE STRUCTURE****HISTORY & BACKGROUND:**

Our Company was takeover by and promoted by Ms. Anjani Mittal in the year 2018.

Our Company was originally incorporated as “Avyukta dairy Products Private Limited” on September 23, 2016 at Delhi as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated September 23, 2016 issued by the Registrar of Companies, Delhi. Consequent upon the conversion of our Company to public limited Company, the name of our Company has been changed to “Avyukta Dairy Products Limited” vide fresh Certificate of Incorporation dated July 09, 2021 issued by the Registrar of Companies, Delhi.

We are engaged in manufacturing and marketing of dairy-based branded foods in India. We are an integrated milk Company in India with a focus to cater to institutional as well as retail customers. We have set up a manufacturing facility to produce fresh dairy products, including pasteurized milk, flavoured milk, sweetened condensed milk, ultra-pasteurised or ultra-high temperature (UHT) milk. Our Milk products are marketed under the mark “Aveena Milk products” which is owned by member of our Promoter Group Mr. Avdhesh Mittal who has allowed our Company to use the mark for business purpose.

Our processing facilities are strategically located at Tehsil, Survey No.-322, Village Bandipur, Murad Nagar, Modi Nagar, Uttar Pradesh-201206 having Milk processing unit/ Milk Chilling Centre of 1,50,000 Litres per day. However, Our Company is yet to start the commercial production at the plant completely and it is in the initial stage of start of production. As of July 31, 2021, we employed 22 (Twenty Two) personnel across our operations. We place significant emphasis on quality control and product safety at each step of the manufacturing process, right from the procurement of raw milk until the final product is packaged and ready for distribution. We have obtained several quality control certifications and registrations for our facilities.

Our integrated business model encompasses almost all aspects of the dairy industry value chain, including procurement of raw milk, and the production, supply and sale of a range of processed milk and dairy products. We believe that our integrated business model enables us to leverage the dairy industry value chain, ensure efficiency in costs and operating margins and exercise more control over the production process resulting in quality products.

We focus on our direct procurement model that enables to control costs and ensure quality of the raw milk procured by us.

In the past three (3) years our revenues have increased from Rs. 0.13 Lacs in F.Y. 2018-2019 to Rs. 6.46 Lacs in F.Y. 2019-20 and further to Rs. 81.36 Lacs in F.Y. 2020-21, showing an increase of 48.69% and 11.59% respectively. Our Net Profit / (Loss) after tax for the above mentioned periods are Rs. (14.43) Lacs, Rs. 3.16 Lacs and Rs. 13.35 Lacs.

CHANGES IN REGISTERED OFFICE:

There has been change in the registered office of the Company since incorporation as follows:

From	To	Date of Change	Reason of change
Office No. 201, Second Floor C-17, Guru Nanak Pura, Laxmi Nagar, Delhi, Delhi-110092	C-6, First floor, Green Park Main, New Delhi-110016	25.04.2018	Administrative purpose
C-6, First floor, Green	E-94, G/F, Greater	03.06.2019	Administrative purpose

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From	To	Date of Change	Reason of change
Park Main, New Delhi-110016	Kailash 1, Delhi-110048		
E-94, G/F, Greater Kailash 1, Delhi-110048	BB-17, Basement, GK Enclave, New Delhi 110019	05.09.2020	Administrative purpose
BB-17, Basement, GK Enclave, New Delhi 110019	BB-17, Greater Kailash Enclave-II, New Delhi 110048	16.07.2021	Administrative purpose

DETAILS OF MAJOR EVENTS AND MILESTONES:

YEAR	PARTICULARS
2016	Incorporation of the Company in the name and style of “Avyukta dairy Products Private Limited”.
2018	Acquisition of control of the company by Ms. Anjani Mittal along with Mr. Avdhesh Mittal.
2021	Setting up of manufacturing plant at Uttar Pradesh.
2021	Conversion of the Company into a public limited Company and consequently changes of Name of the Company from “Avyukta Dairy Products Limited” to “Avyukta Dairy Products Limited”.

MAIN OBJECTS OF OUR COMPANY:

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

1. To carry on the business in India or outside India to produce, sell, purchase, develop, deal in, import export and act as agents, distributors and suppliers of all kinds of dairy products including but not limited to milk, cream, butter, cheese, eggs, table delicacies and any other commodities, goods or things, processed and unprocessed articles of food and drinks including beverages, manufacture and merchants poultry and live stock breeders, bakers, confectioners, refreshment contractors, farmers, and general provision merchant and dealers, import, export, improve, prepare, deal and trade in cattle, poultry and live stock of live description, to engage and deal in food processing, animal and birds rearing, fishery, poultry, animal and poultry feeds, to prepare, process, manufacture and render marketable any such produce and products either in its prepared, manufactured or raw state and either by wholesale or retail and to deal on agriculture, cultivation, environmental, natural, dairy, irrigational equipments and tools, plant protection devices and to design, source and install environment friendly agricultural system.
2. To cultivate, grow, produce, and deal in any vegetable products and to carry on all or any of the business of foreman, dairymen, milk contractors, dairy foremen, millers, purveyors and vendors of milk, cheese, butter, poultry and provisions of all kinds, growers of, and dealers in corn, hay and straw, seeds men, and to buy, sell and trade in any goods which is usually traded in any of the above businesses.
3. To carry on the business in India or outside India as dealers in purchasers of dairy farms garden and product of all kinds of milk products and in particular milk, cream, butter, ghee, cheese, poultry eggs, fruits, vegetables oils, vegetable ghee, artificial ghee, sausages, brawn pated meat, table delicacies; loaves, bread manures etc. and to purchase, acquire, keep maintain breed, sell or otherwise dispose of all kinds of cattle, cows, buffaloes, pigs, poultry, game and live or dead stock of all description.

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4. To bottle and sell and distribute sterilized flavoured milk and to bottle and sell and distribute the beverages and to produce, store, purchase, sell, import, export and otherwise deal in flavored milk and beverages.
5. To cultivate, grow, produce or deal in any dairy products and to carry on the business of farmers, dairymen, contractors, dairy farmers, millers, purveyors and vendors of milk, cream, cheese, butter, poultry and provisions of all kinds, growers of and dealers in corn, hay and straw, seed men, and nursery men and to buy, sell and trade in any goods usually traded in any of the above business or any usually traded in any of the above business or business associated with the farming interest which may be advantageously carried on by the company.

CHANGES IN THE MEMORANDUM OF ASSOCIATION:

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

S.No.	Particulars of Increase	Cumulative no. of Equity Shares	Cumulative Authorize Share Capital (Rs. In Lakh)	Date of Meeting	Whether AGM/ EGM
1.	On Incorporation	1,00,000	10.00	-	Incorporation
2.	Increase in Authorised Share Capital from Rs. 1.00 Lakhs divided into 10,000 equity shares of Rs. 10 each to Rs. 3.00 Lakhs divided into 30,000 equity shares of Rs. 10 each	30,000	3.00	October 20, 2016	EGM
3.	Increase in Authorised Share Capital from Rs. 3.00 Lakhs divided into 30,000 equity shares of Rs. 10 each to Rs. 10.00 Lakhs divided into 1,00,000 equity shares of Rs. 10 each	1,00,000	10.00	September 01, 2018	EGM
4	Increase in Authorised Share Capital from Rs. 10.00 Lakhs divided into 1,00,000 equity shares of Rs. 10 each to Rs. 300.00 Lakhs divided into 30,00,000 equity shares of Rs. 10 each	30,00,000	300.00	May 21, 2021	EGM
5	Increase in Authorised Share Capital from Rs. 300.00 Lakhs divided into 30,00,000 equity shares of Rs. 10 each to Rs. 350.00 Lakhs divided into 35,00,000 equity shares of Rs. 10 each	35,00,000	350.00	July 19, 2021	EGM

CAPITAL RAISING (DEBT /EQUITY):

For details of the equity capital raising of our Company, please refer to the chapter titled "Capital Structure" on page 63 of this Draft Prospectus. We have not done any debt issuances since incorporation till date.



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HOLDING COMPANY OF OUR COMPANY:

Our Company has no holding Company as on this date of filing of this Draft Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY:

Our Company has no Subsidiary as on this date of filing of this Draft Prospectus.

JOINT VENTURE OF OUR COMPANY:

Our Company has not entered into any joint venture Agreement as on the date of filing of this Draft Prospectus.

REVALUATION OF ASSETS:

Our Company has revalued its Immovable property during the financial year 2018-19. However, our Company has not issued any Bonus shares out of revaluation reserve.

GUARANTEES GIVEN BY PROMOTERS OFFERING ITS SHARES IN THE ISSUE:

None of our Promoters are offering any of the Equity Shares held by the Promoters in the Company in the Issue.

DETAILS OF OUR PAST PERFORMANCE:

Details in relation to our financial performance since inception, including details of non-recurring items of income, refer to section titled "Financial Statements" beginning on page 160 of this Draft Prospectus.

INJUNCTIONS OR RESTRAINING ORDERS:

Our Company is not operating under any injunction or restraining order.

DETAILS REGARDING ACQUISITION OR DISINVESTMENT OF BUSINESS / UNDERTAKINGS, MERGERS, AMALGAMATIONS:

Our Company has neither acquired any entity, business or undertakings nor has undertaken any mergers or Amalgamation since incorporation.

STRIKES AND LOCKOUTS:

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of the Draft Prospectus, our employees are not unionized.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS:

As on the date of the Draft Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

SHAREHOLDERS AGREEMENTS:

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



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OTHER AGREEMENTS:

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business as on the date of filing of the Draft Prospectus.

AGREEMENT ENTERED INTO BY A KEY MANGERIAL PERSONNEL OR DIRECTORS OR PROMOTER OR ANY OTHER EMPLOYEE OF THE ISSUER:

None of our key managerial personnel or director or promoter or any other employee, either by themselves or on behalf of any other person, has entered into an agreement with any shareholder or any third party with regard to compensation or profit sharing in connections with the dealings in the securities of our Company.

COLLABORATION:

Our Company has not entered into any collaboration with any third party as per regulation 10 B (1) (c) of part A Schedule VI of SEBI (ICDR) Regulations, 2018.

STRATEGIC PARTNER:

Our Company does not have any strategic partner as on the date of filing of the Draft Prospectus.

FINANCIAL PARTNER:

Our Company does not have any financial partner as on the date of filing of the Draft Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS:

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

NUMBER OF SHAREHOLDERS:

Our Company has Seven (7) shareholders as on date of this Draft Prospectus.

OUR MANAGEMENT

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15, at least two thirds of whom shall be liable to retire by rotation. Our Company currently has 4 (Four) Directors on our Board out of which 1 (One) is Executive Director, 1 (one) are Non-Executive and Non Independent Director and 2(Two) are Non Executive Independent Directors.

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

Name, Father's name, Address, Occupation, Nationality, tenure & DIN	Age	Status of Directorship in our Company	Other Directorships
1.Ms. Anjani Mittal D/o Mr. Avdhesh Mittal E -94, Ground Floor, G.K. 1, Greater Kailash S.O., Greater Kailash, South Delhi, Delhi - 110048 Occupation: Business Nationality: Indian Tenure: Five years from 19 th July, 2021 DIN: 07917585	27 Years	Managing Director	1. Better Homes Buildtech Pvt. Ltd. 2. Spark Realcon Pvt. Ltd. 3. Maneri Ice Cream Pvt. Ltd.
2. Ms. Sarla Duhan D/o Mr. Gulzar Singh Mann 1055, Iffco Colony, Sector-17B Industrial Estate, Gurugram, Haryana India 122007 Occupation: Professional Nationality: Indian Tenure: Retire by Rotation DIN: 09275202	59 Years	Non Executive and Non Independent Director	Nil
3. Mr. Suresh Kumar Goswami S/o Mr. Puran Chand 1632, Near Ahmed Hospital, Sector 15 part 2, Gurgaon Farukhanagar, Haryana - 122001 Occupation: Professional Nationality: Indian Tenure: Five years from 21 st May, 2021 DIN: 08613554	63 Years	Non Executive and Independent Director	1. Worthful Industries Pvt. Ltd. 2. Uberoi Projects Pvt. Ltd. 3. Krishna Breeders Pvt. Ltd. 4. Sunway realtech Pvt Ltd; 5. Prominent Realtech Pvt Ltd. 6. Ramada Impex Pvt Ltd; 7. Manhar Farms Pvt Ltd;
4. Mr. Rao Laxman Singh S/o Mr. Harbans Singh Rao House No. 1029, sector- 17B, IFFCO Colony, gurugram - 122001, Haryana, India Occupation: Professional Nationality: Indian Tenure: Five years from 19 th July, 2021 DIN: 08055192	64 years	Non Executive and Independent Director	1. AKG EXIM Limited 2. Singametal Ventures Pvt. Ltd.

As on the date of this Draft Prospectus;

- A. None of the above mentioned Directors are on the RBI List of wilful defaulters.
- B. None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) up to the date of filing of this Draft Prospectus.
- E. None of Promoters or Directors of our Company is fugitive economic offender.
- F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.
- H. None of our Directors are/were director of any company which has been/were delisted from the stock exchange, during his/her tenure.

BRIEF PROFILE OF OUR DIRECTORS

Ms. Anjani Mittal, aged 27 years, is the Promoter and Managing Director of our Company. She is Qualified Chartered Accountant. She has an experience of more than 5 years in the field of Business Finance and Management. She looks after of routine operational activities of our Company. With her multifunctional experience, She guides Company in growth strategies and lighting the Company in increasing its scale in leaps and bounds. She is responsible for the overall operations of the Company. She is on Board of Company since 24th August, 2017.

Ms. Sarla Duhan, aged 59 years, is the Non Executive and Non Independent Director of our Company. She is having educational qualification in Master in Arts, having PGDBM in Marketing, Doctor of Philosophy. She has more than 20 years experience in various Industries. She is on Board of Company since 19th July, 2021.

Mr. Suresh Kumar Goswami, aged 63 years, has experience of more than 35 years in the Field of Banking. He is an Independent Director of our Company. He holds Bachelor degree in Commerce also Qualify CAIIB (Part - 1), he brings value addition to our Company. He is on Board of Company since 21st May, 2021.

Mr. Rao Laxman Singh, aged 64 years, has experience of more than 40 years in the Field of Banking. He is Graduate from Kurukshetra University, M.A., LL.B., PGDM Business Administration and CAIIB Diploma in Co operation and rural finance. He is having more than 30 years of experience in the field of Banking, Administration and liaising with various departments. He looks Banking activities of our Company Banking, Business Development Client relationship, Administration Control and team management.. He is on Board of Company since 19th July, 2021.



AVYUKTA DAIRY PRODUCTS LIMITED

RELATIONSHIP BETWEEN THE DIRECTORS AND RELATIONSHIP BETWEEN ANY OF THE DIRECTOR AND KEY MANAGERIAL PERSONNEL

Except mentioned hereunder, none of our Director is related to any of the directors or any of the directors and key managerial personnel:

Name of Director	Designation	Relation
Ms. Anjani Mittal	Managing Director	She is Daughter of Mr. Avdhesh Mittal
Mr. Avdhesh Mittal	Chief Financial officer	He is father of Ms. Anjani Mittal

ARRANGEMENT AND UNDERTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS & OTHERS

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above mentioned Directors was selected as director or member of senior management.

SERVICE CONTRACTS

Except for executive employment agreements with our executive directors, our Company has not executed any service contracts with its directors providing for benefits upon termination of their employment.

BORROWING POWERS OF THE BOARD OF DIRECTORS

Pursuant to a special resolution passed at an Extra- Ordinary General Meeting of our Company held on July 28, 2021, pursuant to provisions of Section 180(1)(c) of the Companies Act, 2013 and rules made there under and the Board of Directors of the Company be and is hereby authorized to borrow monies from time to time in excess of aggregate of paid up capital and free reserves (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business) , provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of Rs. 25.00 Crores. (Rs. Twenty Five Crores) over and above the aggregate of paid up share capital and free reserves of the Company.

COMPENSATION AND BENEFITS TO THE MANAGING DIRECTOR AND WHOLE TIME DIRECTOR ARE AS FOLLOWS

Particulars	Name of Director
Name	Ms. Anjani Mittal
Designation	Managing Director
Date of Appointment/ Change in Designation	19 th July, 2021
Period	5 years
Remuneration	Rs. 55,000
Bonus	-
Perquisite/ Benefits	-
Compensation / remuneration paid during the F.Y. 2020-21	N.A.

SITTING FEES PAYABLE TO NON-EXECUTIVE DIRECTORS

Till date, our Company has not paid any sitting fees to any of the Non-Executive Directors for attending any of the Board or Committee Meetings. At present, our company has not proposed any payment of sitting fees to our non-executive directors. However, we may decide to pay sitting fees later on in the manner provided under Companies Act, 2013.

**AVYUKTA DAIRY PRODUCTS LIMITED****SHAREHOLDING OF DIRECTORS**

The Shareholding of our Directors as on the date of this Draft Prospectus is as follows:

Sr. No.	Name of Directors	No. of Equity Shares held
1.	Ms. Anjani Mittal	16,12,834

INTEREST OF DIRECTORS

All the non-executive directors of the company may be deemed to be interested to the extent of fees, payable to them for attending meetings of the Board or Committee if any as well as to the extent of other remuneration and/or reimbursement of expenses payable to them as per the applicable laws.

The directors may be regarded as interested in the shares and dividend payable thereon, if any, held by or that may be subscribed by and allotted/transferred to them or the companies, firms and trust, in which they are interested as directors, members, partners and or trustees. All directors may be deemed to be interested in the contracts, agreements/arrangements to be entered into by the issuer company with any company in which they hold directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations.

Executive Director is interested to the extent of remuneration paid to them for services rendered to the company.

Our executive directors may also be deemed as interested in our Company to the extent of the Equity Shares held by them or any Equity Shares that may be subscribed by or allotted to them from time to time. For further details, please refer to section titled "Our Management - Shareholding of directors and Interest of Directors" and "Capital Structure" beginning on pages 143 and 63 respectively.

Except as stated under "Related Party Transaction" in the section "Financial Statements" on page 160 of this Draft Prospectus, our Company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Draft Prospectus in which our directors are interested directly or indirectly.

CHANGES IN THE BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Name of Director	Date of Event	Nature of Event	Reason for the change in Board
Mr. Deepak Rathi	04.10.2018	Appointment	Appointment as Director
Mr. Gaurav Gupta	06.10.2018	Resignation	Resigned as Director
Mr. Akshay Mittal	04.06.2019	Appointment	Appointment as Director
Mr. Akshay Mittal	09.08.2019	Resignation	Resigned as Director
Mr. Ramesh Chandra	17.12.2019	Appointment	Appointed as an Additional Director
Mr. Deepak Rathi	17.12.2019	Resignation	Resigned as Director
Ms. Kanishka Tyagi	14.07.2020	Appointment	Appointed as an Additional Director
Mr. Suresh Kumar Goswami	21.05.2021	Appointment	Appointment as an Additional Director
Ms. Kanishka Tyagi	02.08.2021	Resignation	Resigned as Director
Ms. Sarla Duhan	19.07.2021	Appointment	Appointment as Director
Mr. Rao Laxman Singh	19.07.2021	Appointment	Appointment as Director
Ms. Anjani Mittal	19.07.2021	Appointment	Appointment as Managing Director

CORPORATE GOVERNANCE

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the Listing Agreement to be executed with the Stock Exchange and the SEBI Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

We being proposing to list on BSE-SME platform are exempted to follow corporate governance norms of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015. However we have a Board constituted in compliance with the Companies Act, 2013 and in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. Currently, our Company has 4 (Four) Directors including Mr. Anjani Mittal as a Managing Director. Out of 4 (Four) Directors, One (1) is Executive Director, 1 (one) is Non-Executive Non Independent Director and 2(two) are Non Executive Independent Directors.

The details of i) Audit Committee; ii) Nomination and Remuneration Committee; and iii) Stakeholders Relationship Committee are set out below.

Constitution of Committees

Our company has constituted the following Committees of the Board;

1. Audit Committee;
2. Stakeholders Relationship Committee; and
3. Nomination and Remuneration Committee.

Details of composition, terms of reference etc. of each of the above committees are provided hereunder;

1. Audit Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 177 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on July 21, 2021, constituted an Audit Committee.

The constitution of the Audit Committee is as follows:

Name of Director	Designation	Nature of Directorship
Mr. Suresh Kumar Goswami	Chairman	Non Executive Independent Director
Mr. Rao Laxman Singh	Member	Non Executive Independent Director
Ms. Sarla Duhan	Member	Non Executive Non Independent Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

Terms of Reference

The Role of Audit Committee not limited to but includes:-

- i. The recommendation for the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company;
- ii. Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- iii. Examination of financial statement and auditors' report thereon including interim financial result before submission to the Board of Directors for approval;
 - a. Changes, if any, in accounting policies and practices and reasons for the same
 - b. Major accounting entries involving estimates based on the exercise of judgment by management
 - c. Significant adjustments made in the financial statements arising out of audit findings
 - d. Compliance with listing and other legal requirements relating to financial statements
 - e. Disclosure of any related party transactions
 - f. Qualifications in the draft audit report.
- iv. Approval or any subsequent modification of transactions of the Company with related party; Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to such conditions as may be prescribed under the Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof; Provided further that in case of transaction, other than transactions referred to in section 188 of Companies Act 2013 or any subsequent modification(s) or amendment(s) thereof, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board; Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee;
- v. Reviewing, with the management, and monitoring the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vi. Scrutiny of Inter-corporate loans and investments;
- vii. Reviewing and discussing 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;
- viii. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
- ix. Valuation of undertakings or assets of the company, where ever it is necessary;
- x. Evaluation of internal financial controls and risk management systems and reviewing, with the management, performance of internal auditors, and adequacy of the internal control systems; and
- xi. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xii. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate; and
- xiii. Carrying out any other function as assigned by the Board of Directors from time to time.

Review of Information

- i. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- ii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iii. Internal audit reports relating to internal control weaknesses; and
- iv. The appointment, removal and terms of remuneration of the Internal Auditor.

Powers of Committee

- i. To investigate any activity within its terms of reference;
- ii. To seek information from any employees;
- iii. To obtain outside legal or other professional advice; and
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Quorum and Meetings

The Audit Committee shall meet as and when require discussing and approving the items included in its role. The quorum of the meeting of the Audit Committee shall be one third of total members of the Audit Committee or 2, whichever is higher.

2. Stakeholders Relationship Committee

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on July 21, 2021, constituted Stakeholders Relationship Committee.

The constitution of the Stakeholders Relationship Committee is as follows:

Name of Director	Designation	Nature of Directorship
Mr. Suresh Kumar Goswami	Chairman	Non Executive Independent Director
Mr. Rao Laxman Singh	Member	Non Executive Independent Director
Ms. Sarla Duhan	Member	Non Executive Non Independent Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

Terms of Reference

To supervise and ensure;

- i. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;
- ii. Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.;
- iii. Issue duplicate/split/consolidated share certificates;
- iv. Dematerialization/Rematerialization of Share;
- v. Review of cases for refusal of transfer / transmission of shares and debentures;
- vi. Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances; Provided that inability to resolve or consider any grievance by the Stakeholders Relationship Committee in good faith shall not constitute a contravention of Section 178 of Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof.
- vii. Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

Quorum and Meetings

The Stakeholders Relationship Committee shall meet as and when require to discuss and approve the items included in its role. The quorum shall be one third of total members of the Stakeholders Relationship Committee or 2 members, whichever is higher.

**3. Nomination and Remuneration Committee:**

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on July 21, 2021, constituted Nomination and Remuneration Committee.

The constitution of the Nomination and Remuneration Committee is as follows:

Name of Director	Designation	Nature of Directorship
Mr. Suresh Kumar Goswami	Chairman	Non Executive Independent Director
Mr. Rao Laxman Singh	Member	Non Executive Independent Director
Ms. Sarla Duhan	Member	Non Executive Non Independent Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

Terms of reference**Role of Nomination and Remuneration Committee not limited to but includes:-**

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance.

Quorum and Meetings

The Committee is required to meet at least once a year. The quorum necessary for a meeting of the Nomination and Remuneration Committee is one third of total members of the Nomination and Remuneration Committee or 2 members, whichever is higher.

Policy on disclosure and internal procedure for prevention of Insider Trading

The provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of BSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on SME platform of BSE. Further, Board of Directors at their meeting held on 21st July, 2021 have approved and adopted the policy on insider trading in view of the proposed public issue.

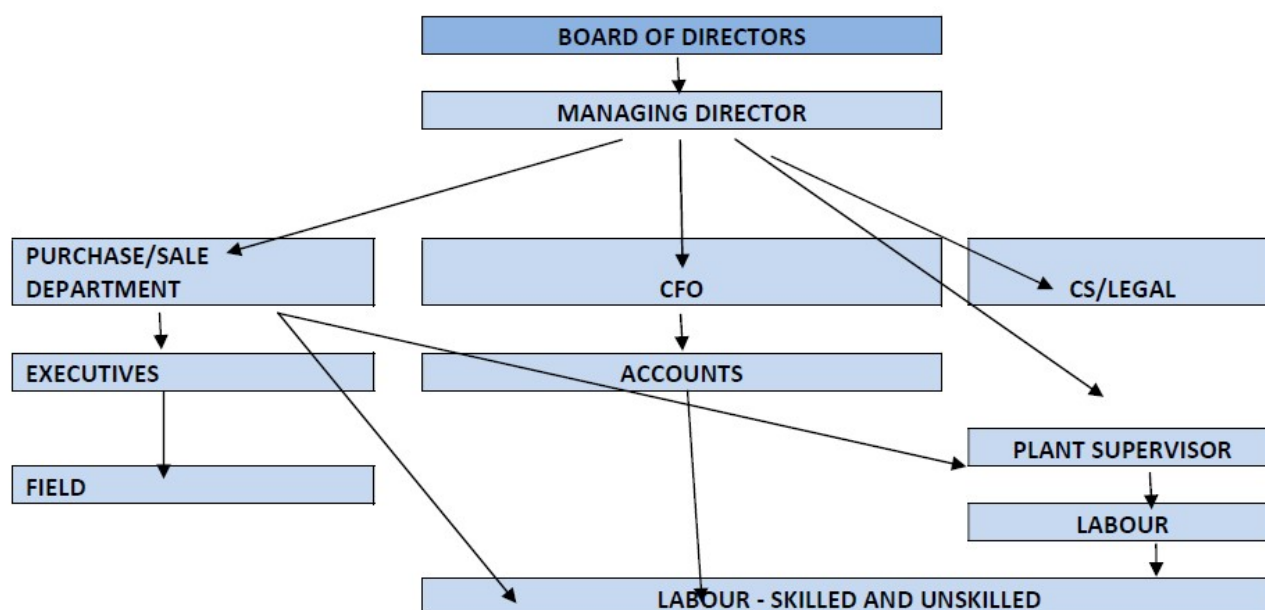
Ms. Nisha Singh, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

Policy for determination of materiality and materiality of related party transactions and on dealing with Related Party Transactions

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME platform of BSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended on

listing of Equity Shares on the SME platform of BSE. The Board of Directors at their meeting held on 21st July, 2021 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

ORGANISATION STRUCTURE



OUR KEY MANAGEMENT PERSONNEL

The Key Managerial Personnel of our Company are as follows:-

Name	Ms. Anjani Mittal	Mr. Avdhesh Mittal	Ms. Nisha Singh
Designation	Managing Director	Chief Financial officer	Company Secretary
Original Date of Joining	24.08.2017	15.07.2021	15.07.2021
Qualification	Chartered Accountant	Chartered Accountant	Company Secretary
Term of office with date of expiration of term	Five years w.e.f. 19 th July, 2021	N.A.	N.A.
Details of Service Contract	N.A.	N.A.	N.A.
Details of previous employments	N.A.	N.A.	GLS Infratech Private Limited
Past Experience (No. of Years)	More than 5 years	More than 15 years	5 Years
Functional Responsibilities and area of experience	She looks after of routine operational activities of our Company. With her multifunctional experience, She guides Company in growth strategies and lighting the Company in increasing its scale in leaps and bounds. She	Accounts and financial related work.	Vetting of agreements, preparation of minutes, drafting of resolutions, preparation and updating of various statutory registers, and compliance with the provisions of Companies Act,

**AVYUKTA DAIRY PRODUCTS LIMITED**

	is responsible for the overall operations of the Company.		2013
Relationship with other KMP	Daughter of CFO	Father of MD	N.A.
Compensation /remuneration paid to the KMP during the Financial Year 2020-21	Nil	N.A.	N.A.
Status of each KMP (Permanent employee or otherwise)	Permanent	Permanent	Permanent
Shareholding of the KMP	16,12,834 Equity Shares	89,700 Equity Shares	Nil

Profiles of our Key Managerial Personnel

Ms. Anjani Mittal, aged 27 years, is the Promoter and Managing Director of our Company. She is Qualified Chartered Accountant. She has an experience of more than 5 years in the field of Business Finance and Management. She looks after of routine operational activities of our Company. With her multifunctional experience, She guides Company in growth strategies and lighting the Company in increasing its scale in leaps and bounds. She is responsible for the overall operations of the Company. She is on Board of Company since 24th August, 2017.

Mr. Avdhesh Mittal: He is Chief Financial Officer of our Company. He is a Chartered Accountant. He is having more than 15 years of experience in accounts and financial related work and he is associated with our Company since July, 2021.

Ms. Nisha Singh: She is Company Secretary & Compliance Officer of our Company. She is an associate member of Institute of Companies Secretaries of India. She is associated with our Company from July, 2021. Her scope of work and responsibilities includes vetting of agreements, preparation of minutes, drafting of resolutions, preparation and updating of various statutory registers, and compliance with the provisions of Companies Act, 2013.

Status of Key Management Personnel in our Company

All our key managerial personnel are permanent employees of our Company.

Relationship amongst the Key Managerial Personnel of our Company

There is no family relationship amongst the any Key Managerial Personnel of our Company except that Ms. Anjani Mittal is daughter of Mr. Avdhesh Mittal.

BONUS OR PROFIT SHARING PLAN FOR THE KEY MANAGEMENT PERSONNEL

Currently, Our Company does not have any bonus or profit sharing plan for our Key Managerial personnel. In future, Discretionary bonus may be paid as may be decided by Nomination and Remuneration Committee/Board of Directors, depending upon the performance of the Key Managerial Personnel, working of the Company and other relevant factors subject to Maximum of annual salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.

INTERESTS OF KEY MANAGEMENT PERSONNEL

Other than as disclosed under this section under "Our Management - Interest of our Directors" and "Our Management - Shareholding of Key Management Personnel" on page 143, our Key Management Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which



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they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

The Key Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares held by them.

The Key Management Personnel are not entitled to any contingent or deferred compensation.

CHANGES IN THE KEY MANAGEMENT PERSONNEL

The following are the changes in the Key Management Personnel in the last three years preceding the date of filing this Draft Prospectus, otherwise than by way of retirement in due course.

Name of Key Managerial Personnel	Date of Event	Nature of Event	Reason for the changes in the board
Ms. Anjani Mittal	19.07.2021	Appointment	Appointment as Managing Director
Mr. Avdhesh Mittal	15.07.2021	Appointment	Appointment as CFO
Ms. Nisha Singh	15.07.2021	Appointment	Appointment as CS

EMPLOYEE STOCK OPTION SCHEME

As on the date of filing of Draft Prospectus, our company does not have any ESOP Scheme for its employees.

PAYMENT OF BENEFIT TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except the statutory payments made by our Company, in the last two years, our company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers. Additionally, as on the date of this Draft Prospectus we do not intend to pay or give to any officer any payment or benefit and consideration for payment of giving of the benefit.

ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS/CUSTOMERS/ SUPPLIERS

None of the Key Managerial Personnel have been selected pursuant to any arrangement/understanding with major shareholders/customers/suppliers.

DETAILS OF SERVICE CONTRACTS OF THE KEY MANAGERIAL PERSONNEL

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

LOANS AVAILED BY DIRECTORS / KEY MANAGERIAL PERSONNEL OF OUR COMPANY


None of the Key Managerial Personnel have availed loan from our Company which is outstanding as on the date of this Draft Prospectus.

OUR PROMOTERS & PROMOTER GROUP
Our Promoter

Ms. Anjani Mittal is the promoter of our Company. As on date of this Draft Prospectus, our Promoter holds 16,12,834 Equity Shares of our Company. Our Promoters and Promoter Group will continue to hold the majority of our post-issue paid-up equity share capital of our Company.

For details of the build-up of our Promoters' Shareholding in our Company, please refer the chapter titled "**Capital Structure**" beginning on page 63.

The details of our Promoter are as follows:

	Ms. Anjani Mittal
	<p>Ms. Anjani Mittal, aged 27 years, is the Promoter and Managing Director of our Company. She is Qualified Chartered Accountant. She has an experience of more than 5 years in the field of Business Finance and Management. She looks after of routine operational activities of our Company. With her multifunctional experience, She guides Company in growth strategies and lighting the Company in increasing its scale in leaps and bounds. She is responsible for the overall operations of the Company. She is on Board of Company since 24th August, 2017.</p>
Date of Birth	24 th May, 1994
Age	27 years
PAN	BXAPM5689K
Passport Number	-
Aadhar Card No.	7549 6478 1687
Driving License	DL- 0320120344333
Educational Qualification	Chartered Accountant
Experience in Business	More Than 5 Years
Present Residential Address	E- 94, Ground Floor, G.K. 1, Greater Kailash S.O., Greater Kailash, South Delhi, Delhi - 110048
Position/posts held in the past	Managing Director
Other Ventures	<div> Private Limited Entities: <ol style="list-style-type: none"> Better Homes Buildtech Private Limited Ramada Hospitality Private Limited Krishna Breeders Private Limited Sunway Realtech Private Limited Prominent Realtech Private Limited Spark Realcon Private Limited Ramada Impex Private Limited Manhar Farms Private Limited Maneri Ice Cream Private Limited </div> <div> Public Limited Entities: NIL </div>



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DECLARATION

We declare and confirm that the details of the permanent account numbers, bank account numbers and passport numbers of our Promoters are being submitted to the BSE Limited, stock exchange on which the specified securities are proposed to be listed along with filing of this Draft Prospectus with the Stock Exchange. There has been no change in the promoters of our Company in the last five years.

OTHER VENTURES OF OUR PROMOTERS

Except as disclosed herein below and in the chapter “Our Management” beginning on page 143, our Promoters are not involved with any other venture

EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

For details in relation to experience of our Promoters in the business of our Company, see “Our Management” beginning on page 143.

COMMON PURSUITS / CONFLICT OF INTEREST

None of our Promoter Group Entities is engaged in similar line of business as of our Company. We cannot assure that our Promoters or Promoter Group will not promote any new entity in the similar line of business and will not favour the interests of the said entities over our interest or that the said Entity will not expand their businesses which may increase our chances of facing competition. This may adversely affect our business operations and financial condition of our Company. For details of our Promoter Group and Group Companies refer to Section titled “Our Promoters and Promoter Group” & “Our Group Company” on page 154 and 200 of this Draft Prospectus. We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise

Interest of Promoters

Our Promoters may be deemed to be interested in the promotion of the Issuer to the extent of the Equity Shares held by themselves as well as their relative and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. Further, our Promoters may also be interested to the extent of Equity Shares held by or that may be subscribed by and allotted to companies and firms in whom either of them is interested as a director, member or partner. In addition, our Promoters, being Directors may be deemed to be interested to the extent of fees, if any, payable for attending meetings of the Board or a committee thereof as well as to the extent of remuneration and reimbursement of expenses, if any, payable under our Articles of Association and to the extent of remuneration, if any, paid for services rendered as an officer or employee of our Company as stated in section titled “Our Management” on page 143 of this Draft Prospectus.

Interest as Member of our Company

As on the date of this Draft Prospectus, our Promoters and Promoter Group collectively hold 21,47,134 Equity Shares of our Company and is therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoter in our Company and benefits and Directors, our Promoter does not hold any other interest in our Company.

Also see Section titled “Our Management-Interest of Directors” on Page 143 of this Draft Prospectus.

Interest of Promoters in the Properties of our Company

Except as disclosed in this Draft Prospectus, our Promoters and Directors have no interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this



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Draft Prospectus or proposed to be acquired by it as on the date of this Draft Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Our Promoters and Directors are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify him as a Director or Promoter, or otherwise for services rendered by him or by such firm or company in connection with the promotion or formation of our Company.

Except to the extent of their directorship and shareholding in our Group Companies, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

For further details, please refer to the chapter titled “Our Management”, “Our Business” beginning on page 143, 111 and “Our History and Corporate Structure” beginning on page 138.

RELATED PARTY TRANSACTIONS

For details of related party transactions entered by our Promoters, members of our Promoter Group and our Company during the last financial year, the nature of transactions and the cumulative value of transactions, refer to the chapter titled “Financial Statements” beginning on page 160.

PAYMENT OF BENEFITS TO OUR PROMOTERS

Except as disclosed in this section and stated otherwise in “Financial Statements” beginning on page 160 about the related party transactions entered into during the last three Fiscals and in “Our Management” on page 143, there has been no payment or benefit to our Promoters or Promoter Group during the two years prior to the filing of this Draft Prospectus nor is there any intention to pay or give any benefit to our Promoters or members of the Promoter Group as on the date of this Draft Prospectus.

DISASSOCIATION BY PROMOTERS IN THE LAST THREE YEARS

Our Promoters have been disassociated with companies during the three years preceding the date of filing of this Draft Prospectus as per details given below:

Name of Promoter	Date of Disassociation	Name of Company	Reason for Disassociation
Ms. Anjani Mittal	02.08.2021	Manhar Farms Private Limited	Resignation
	14.12.2019	Hrishikesh Farms Private Limited	Resignation
	14.12.2019	Prominent Edible Private Limited	Resignation
	02.08.2021	Ramada Impex Private Limited	Resignation
	12.07.2021	Ramada Hospitality Private Limited	Resignation
	17.03.2020	All Times Builders & Impex Private limited	Resignation
	02.08.2021	Prominent Realtech Private Limited	Resignation
	02.08.2021	Sunway Realtech Private Limited	Resignation
	02.08.2021	Krishna Breeders Private Limited	Resignation
	14.12.2019	Aveena Cold Storage Private Limited	Resignation
	01.02.2019	Aveena Milk Products Private Limited	Resignation



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MATERIAL GUARANTEES

Except as stated in the chapter titled “Financial Statements” beginning on page 160, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Prospectus.

RELATIONSHIP BETWEEN PROMOTERS OF OUR COMPANY WITH OTHER DIRECTORS

There is no relationship between Promoters of our Company with other Directors.

CONFIRMATIONS

Our Company and Promoters confirmed that they have not been declared as willful defaulters by the RBI or by any other government authority and there are no violations of securities laws committed by them in the past or are currently pending against them or restraining period are continued.

Further, our Promoters, promoters’ group or directors have not been directly or indirectly, debarred from accessing the capital market or have not been restrained by any regulatory authority, directly or indirectly from acquiring the securities.

Additionally, our Promoters, promoters’ group or directors do not have direct or indirect relation with the companies, its promoters and whole time director, which are compulsorily delisted by any recognized stock exchange or the companies which is debarred from accessing the capital market by the Board.

Also, our promoters or directors are not a fugitive economic offender.

We and Our Promoters, Group Entities, and Companies promoted by the Promoters confirm that:

- No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past one year against us;
- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs during the past three years.
- The details of outstanding litigation including its nature and status are disclosed in the section titled “Outstanding Litigation And Material Developments” appearing on page 191 of this Draft Prospectus.

OUR PROMOTERS’ GROUP

In addition to our Promoters named above and persons whose shareholding is aggregated under the heading “Shareholding of the Promoters’ Group” under the section titled “Capital Structure” on page 63 of this Draft Prospectus, the following individuals and entities form a part of the Promoters’ Group:

A. NATURAL PERSONS WHO ARE PART OF OUR INDIVIDUAL PROMOTER GROUP:

Relationship	Ms. Anjani Mittal
Spouse	Mr. Akshit Bansal
Father	Mr. Avdhesh Mittal
Mother	Reena Mittal
Brother	Mr. Akshay Mittal
Sister	Ms. Anamika Mittal
Son	-



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Relationship	Ms. Anjani Mittal
Daughter	-
Spouse' Father	Mr. Atul Bansal
Spouse' Mother	Ms. Bhavna Bansal
Spouse' Brother	-
Spouse' Sister	Ms. Nimishta Bansal

Companies related to our Promoter Company:

Nature of Relationship	Name of Entities
Any body corporate in which twenty per cent. or more of the equity share capital is held by the promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the promoter or any one or more of their relative is a member.	Not Applicable
Any body corporate in which a body corporate as provided in above holds twenty per cent. or more, of the equity share capital.	Not applicable
Any Hindu Undivided Family or firm in which the aggregate share of the promoter and their relatives is equal to or more than twenty per cent. of the total capital	Not Applicable

B. Companies, Proprietary concerns, HUF's related to our promoters

Nature of Relationship	Name of Entities
Any Body Corporate in which ten percent or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relative is a member.	All Times Builders & Impex Private Limited; Garhwal Logistics Limited; Aveena Cold Storage Private Limited; Aveena Milk Products Private Limited; Ramada Hospitality Private Limited; Showman Constructions & Impex Private Limited; Better Homes Buildtech Private Limited; Spark Realcon private Limited; Maneri Ice Cream Private Limited
Any Body corporate in which Body Corporate as provided above holds ten percent or more of the equity share capital.	Not applicable
Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten percent.	Anjani Enterprises; Aveena Milk Products.



DIVIDEND POLICY

Under the Companies Act, a Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the general meeting of our Company. The Articles of Association of our Company give our shareholders, the right to decrease, and not to increase, the amount of dividend recommended by the Board of Directors.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and may depend on a number of factors, including the results of operations, earnings, Company's future expansion plans, capital requirements and surplus, general financial condition, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in the past five financial years. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.



SECTION VI-FINANCIAL INFORMATION OF THE COMPANY

Independent Auditors' Report

To,
The Board of Directors,
Avyukta Dairy Products Limited
(U74999DL2016PLC306343)
BB-17, Greater Kailash Enclave-II,
New Delhi - 110048.

Dear Sirs,

We have examined the attached restated Financial Information of Avyukta Dairy Products Limited (the Company) comprising the Restated Audited Statement of Assets and Liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019, the Restated Audited Statement of Profit & Loss, the Restated Audited Cash Flow Statement for the year ended March 31, 2021, March 31, 2020 and March 31, 2019, the Summary statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Standalone Financial Information) as approved by the Board of Directors in their meeting held on 03.08.2021 for the purpose of inclusion in the Offer Document, prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) and prepared in terms of the requirement of:-

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the "Act");
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") 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 as amended from time to time. ("The Guidance Note").

The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company for the year ended on March 31, 2021, 2020 and 2019.

We have examined such Restated Financial Information taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 04.08.2021 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 Financial Information; and ,
- d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

Audit for the financial year ended 31st March, 2019, was conducted M/s M A R S & Associates and Audit for the financial year ended 31st March, 2020, was conducted M/s A K U V and Associates LLP and accordingly reliance has been placed on the financial information examined by them for the said years / periods.

We, M/s. PAN & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.



A. Financial Information as per Audited Financial Statements:

We have examined:

- a. the attached Statement of Assets and Liabilities, as Restated as at year / period ended March 31, 2019, 2020 and 2021 (Annexure 1);
- b. the attached Statement of Profits and Losses, as Restated for the year / period ended March 31, 2019, 2020 and 2021 (Annexure 2);
- c. the attached Statement of Cash Flows, as Restated for the year / period ended March 31, 2019, 2020 and 2021 (Annexure 3);
- d. the significant accounting policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings. (Annexure 4);

(Collectively hereinafter referred as “Restated Financial Statements”)

The Restated Financial Statements have been extracted from audited Financial Statements of the Company for the year / period ended March 31, 2019, 2020 and 2021 which have been approved by the Board of Directors.

Based on our examination and in accordance with the requirements of the Act, ICDR Regulations, we state that:

- Restated Statement of Assets and Liabilities of the Company as at March 31, 2019, 2020 and 2021 are as set out in Annexure 1, which are after making such material adjustments and regroupings as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in Annexure 4;
- Restated Statement of Profits and Losses of the Company for the year / period ended March 31, 2019, 2020 and 2021 are as set out in Annexure 2, which have been arrived at after making such material adjustments and regroupings to the audited financial statements as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in Annexure 4;
- Restated Statement of Cash Flows of the Company for the year / period ended March 31, 2019, 2020 and 2021 are as set out in Annexure 3 after making such material adjustments and regroupings;
- Adjustments for any material amounts in the respective financial years have been made to which they relate; and
- There are no Extra-ordinary items that need to be disclosed separately in the Restated Summary Statements or Auditor's qualification requiring adjustments.
- An adjustment in Financial Statements has been made in accordance with the correct accounting policies.
- There was no change in accounting policies, which needs to be adjusted in the “Restated Financial Statements”.
- There are revaluation reserves of Rs. 68.80 lakh in FY 2018-19, FY 2019-20 and FY 2020-21, which are disclosed in Reserve & Surplus head.
- There are no audit qualifications requiring adjustments.



B. Other Financial Information:

We have also examined the following Financial Information relating to the Company, which is based on the Restated Financial Statements and approved by the Board of Directors of the Company and annexed to this report, is proposed to be included in the Offer Document:

1. Statement of Details of Reserves & Surplus as at March 31, 2019, 2020 and 2021 as set out in **Annexure 5** to this report.
2. Statement of Accounting Ratios for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 6** to this report.
3. Capitalization Statement as at March 31, 2021 as set out in **Annexure 7** to this report.
4. Statement of Tax Shelters for the year ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 8** to this report.
5. Statement of Long Term Borrowings for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 9** to this report.
6. Statement of Short Term Borrowings for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 10** to this report.
7. Statement of Details of Current Liabilities & Provisions of the Company for the year / period ended on March 31, 2019, 2020, and 2021 as set out in **Annexure 11** to this report.
8. Statement of Details of Tangible Assets of the Company for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 12** to this report.
9. Statement of Details of Long Term Loans & Advances of the Company for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 13** to this report.
10. Statement of Deferred Tax Assets (net) of the Company for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 14** to this report.
11. Statement of Other Non current Assets of the Company for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 15** to this report.
12. Statement of Details of Inventories of the Company for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 16** to this report.
13. Statement of Details of Trade Receivables of the Company for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 17** to this report.
14. Statement of Details of Cash and Bank Balances of the Company for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 18** to this report.
15. Statement of Details of Other current assets of the Company for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 19** to this report.
16. Statement of Details of Revenue from Operations of the Company for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 20** to this report.
17. Statement of Details of Other Income of the Company for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 21** to this report.
18. Statement of Details of Purchases of Stock in Trade of the Company for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 22** to this report.
19. Statement of Details of Changes in Inventories of the Company for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 23** to this report.
20. Statement of Details of Employee Benefit Expenses of the Company for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 24** to this report.
21. Statement of Details of Manufacturing Administrative, Selling and Other Expenses of the Company for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 25** to this report.
22. Statement of Details of Financial Expenses of the Company for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 26** to this report.
23. Statement of Details of Related Party Transactions of the Company for the year / period ended on March 31, 2019, 2020 and 2021 as set out in **Annexure 27** to this report.

In our opinion, the "Restated Financial Statements" and "Other Financial Information" mentioned above contained in Annexure 1 to 26 of this report have been prepared in accordance with Part II of Schedule II to the Act, the SEBI



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Guidelines and the Guidance Note on the reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India (ICAI).

Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

This report should not in any way be construed as a reissuance or redacting of the previous audit report, nor should this be construed as a new opinion on any of the financial statements referred to herein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

This report is intended solely for your information and for inclusion in the Offer Document in connection with the proposed IPO of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For PAN & Co.

Chartered Accountants

Firm Registration No.-013111N

Sd/-

Parvesh Gupta

Partner

Membership No. 501296

Place: New Delhi

Date: 16.08.2021

UDIN: 21501296AAAAGD296

ANNEXURE-01
STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED
(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Equity & Liabilities			
Shareholders' Funds			
Share Capital	5.91	5.51	4.75
Reserve & Surplus	734.73	671.79	399.87
Total (A)	740.64	677.30	404.62
Non Current Liabilities			
Share Application Money	-	-	-
Long Term Borrowings	1320.34	1002.77	538.58
Deferred Tax Liabilities (Net)	-	-	-
Other Long Term Liabilities	-	-	-
Total (B)	1320.34	1002.77	538.58
Current Liabilities			
Short Term Borrowings	-	-	101.09
Trade Payables	2.02	86.70	26.01
Other Current Liabilities	0.30	0.12	1.88
Short Term Provisions	2.64	-	-
Total (C)	4.96	86.82	128.98
Total (D=A+B+C)	2065.94	1766.89	1072.18
Assets			
Non Current Assets			
Fixed Assets:			
(i) Tangible Assets	1777.36	1678.56	746.78
(ii) Intangible Assets	-	-	-
(iii) Capital Work in Progress	-	-	-
(iv) Intangible Assets under development	-	-	-
Long Term Loans & Advances	90.98	79.08	284.34
Non Current Investments	-	-	-
Deferred Tax Assets (Net)	2.39	-	-
Other Non Current Assets	-	-	0.06
Total (E)	1870.73	1757.64	1031.18
Current Assets			
Current Investments	-	-	-
Inventories	37.55	-	-
Trade Receivables	-	5.50	-
Cash & Bank Balances	5.78	2.67	2.78
Short Term Loans & Advances	-	-	-
Other Current Assets	151.88	1.08	38.22
Total (F)	195.21	9.25	41.00
Total (G=E+F)	2065.94	1766.89	1072.18

ANNEXURE-02
STATEMENT OF PROFIT AND LOSS, AS RESTATED
(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Income			
Revenue from Operations	81.25	5.50	-
Other Income	0.11	0.96	0.13
Total	81.36	6.46	0.13
Expenditure			
Cost of Materials Consumed	-	-	-
Purchases of Stock in Trade	61.25	1.00	-
Changes in Inventories of Stock in Trade	(37.55)	-	-
Employee Benefit Expenses	4.73	-	-
Manufacturing, Administrative, Selling and Other Expenses	12.57	1.69	0.14
Total	41.00	2.69	0.14
Profit before Depreciation, Interest and Tax	40.36	3.77	(0.01)
Depreciation & Amortisations	21.82	-	-
Profit before Interest & Tax	18.54	3.77	(0.01)
Financial Expenses	4.45	0.61	14.42
Exceptional Items	-	-	-
Net Profit before Tax	14.09	3.16	(14.43)
Less: Provision for Taxes:			
Current Tax	3.13	-	-
Tax Expense relating to prior Years	-	-	-
Deferred Tax	2.39	-	-
Net Profit After Tax & Before Extraordinary Items	13.35	3.16	(14.43)
Extra Ordinary Items Transferred to Building and Plant & Machinery (Capitalized)	-	-	14.43
Net Profit	13.35	3.16	-

ANNEXURE-03
STATEMENT OF CASH FLOW, AS RESTATED
(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before taxes	14.09	3.16	(14.42)
Adjustment for:			
Add: Depreciation & Amortizations	21.82	-	-
Add: Financial Expenses	4.45	0.61	(14.42)
Add: Preliminary Expenses Written Off.	-	-	-
Add / (Less): Loss / (Profit) on Sale of Assets	-	-	-
Operating Profit before Working capital changes	40.36	3.77	-
Adjustments for:			
Decrease (Increase) in Inventories	(37.55)	-	-
Decrease (Increase) in Trade & Other Receivables	5.50	(5.50)	-
Decrease (Increase) in Short Term Loans & Advances and Other Current Assets (Excl Taxes)	(150.80)	37.21	(35.97)
Increase (Decrease) in Trade Payables	(84.68)	60.69	(79.77)
Increase (Decrease) in Short Term Borrowings (Excl Taxes)	-	(101.09)	101.09
Increase (Decrease) in Other Current Liabilities	0.18	(1.76)	1.76
Net Changes in Working Capital	(267.35)	(10.45)	(12.90)
Cash Generated from Operations	(226.98)	(6.68)	(12.90)
Taxes	0.49	-	-
Net Cash Flow from Operating Activities (A)	(227.47)	(6.68)	(12.90)
CASH FLOW FROM INVESTING ACTIVITIES			
Sale / (Purchase) of Fixed Assets and CWIP	(120.62)	(931.78)	(494.35)
Decrease (Increase) in Non Current Assets	(11.90)	205.26	(284.32)
Net Cash Flow from Investing Activities (B)	(132.52)	(726.51)	(778.67)
CASH FLOW FROM FINANCING ACTIVITIES			
Issue of share capital and Proceeds / (Refund) from Share Application Money	50.00	92.51	261.75
Interest & Finance Charges	(4.45)	(0.61)	(14.42)
Government Grants (Subsidy)	-	177.00	73.00
Increase / (Repayment) of Long Term Borrowings	317.56	464.18	471.13
Increase / (Repayment) of Short Term Borrowings.0	-	-	-
Decrease (Increase) in Long Term Loans & Advances	-	-	-
Net Cash Flow from Financing Activities (C)	363.11	773.09	791.46
Net Increase / (Decrease) in Cash & Cash Equivalents	3.11	(0.11)	(0.12)

Particulars	31.03.21	31.03.20	31.03.19
Cash and cash equivalents at the beginning of the year / Period	2.67	2.78	2.90
Cash and cash equivalents at the end of the year/ Period	5.78	2.67	2.78

Annexure-04

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNT FOR PREPARATION OF RESTATED FINANCIAL STATEMENT

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of Preparation of Financial Statements

- a. The Restated Financial Information for the year / period ended on March 31, 2019,2020 and 2021has been extracted by the management of the Company from the audited financial statements of the company for the year / period ended on March 31, 2019,2020 and 2021.
- b. The Restated Financial Information are after making adjustments/ restatements and regrouping as necessary in accordance with paragraph B(1) of Part II of Schedule II of The Companies Act and SEBI Regulations.
- c. The Financial Statements have been prepared under Historical Cost conventions and in accordance with the Generally Accepted Accounting Principles ('GAAP') applicable in India, Companies (Accounting Standard) Rules, 2006 notified by Ministry of Company Affairs and Accounting Standards issued by the Institute of Chartered Accountants of India as applicable and relevant provisions of the Companies Act, 2013.
- d. The company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

2. Use of Estimates

The preparation of Financial Statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of fixed assets and intangible assets, provision for doubtful debts / advances, future obligations in respect of retirement benefit plans, etc. Actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized. Management believes that the estimates used in preparation of financial statements are prudent and reasonable.

3. Fixed Assets and Depreciation

- i. Fixed Assets are shown at historical cost net of recoverable taxes inclusive of incidental expenses less accumulated depreciation.
- ii. Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated depreciation.
- ii. Depreciation on fixed assets is provided using the rates arrived at based on the rates prescribed in the Schedule III to the Companies Act, 2013.

- iii. Depreciation on fixed assets sold during the year, is provided on pro-rata basis with reference to the date of addition/deletion.

4. Revenue Recognition

Revenue is recognized only when it is probable that economic benefits will flow to the company and revenue can be reliably measured.

Revenue from sale of products is recognized as and when substantial risk and rewards are transferred to buyer.

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

5. Investments

Current investments are carried at lower of cost and quoted/fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

6. Impairment of Assets

As on Balance Sheet date, the Company reviews the carrying amount of Fixed Assets to determine whether there are any indications that those assets have suffered "Impairment Loss". Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from continuing use of an asset and from its disposal at the end of its useful life.

7. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

8. Taxation

Tax expenses for the year comprise of current tax and deferred tax. Current tax is measured after taking into consideration the deductions and exemptions admissible under the provision of Income Tax Act, 1961 and in accordance with Accounting Standard 22 on "Accounting for Taxes on Income", issued by ICAI.

Deferred Tax assets or liabilities are recognized for further tax consequence attributable to timing difference between taxable income and accounting income that are measured at relevant enacted tax rates. At each Balance Sheet date the company reassesses unrecognized deferred tax assets, to the extent they become reasonably certain or virtually certain of realization, as the case may be.

9. Leases

Finance Lease

Leases, which effectively transfer to the company all the risks and benefits incidental to ownership of the leased item, are classified as Finance Lease. Lease rentals are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and

disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income life of the assets at the following rates

Operating Lease

Lease where the lesser effectively retains substantially all risks and benefits of the asset are classified as Operating lease. Operating lease payments are recognized as an expense in the Profit & Loss account on a Straight Line Basis over the Lease term.

10. Preliminary Expenses

Preliminary expenses are amortized as per AS-26 issued by ICAI.

11. Earnings per Share

In determining the Earnings Per share, the company considers the net profit after tax includes any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

12. Contingent Liabilities & Provisions

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for:

- a. Possible obligation which will be confirmed only by future events not wholly within the control of the company, or
- b. Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c. Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

13. Foreign Exchange Transactions

- i. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- ii. Monetary items denominated in foreign currencies at the year end are restated at year-end rates. In case of items, which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- iii. Non-monetary foreign currency items are carried at cost.
- iv. In respect of branches, which are integral foreign operations, all transactions are translated

at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction. Branch monetary assets and liabilities are restated at the year-end rates.

- v. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and loss account except in case of long-term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

B. CHANGES IN ACCOUNTING POLICIES IN THE YEARS COVERED IN THE RESTATED FINANCIALS.

There is no change in significant accounting policies during the reporting period. Further Accounting Policies has been changed as and when Accounting Standards issued by the Institute of Chartered Accountants of India / Companies (Accounting Standard) Rules, 2006 were made applicable on the relevant dates.

C. NOTES ON RESTATED FINANCIAL STATEMENTS

NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

(Rs. in Lacs)

Financial Year ended	March, 31 st	March, 31 st	March, 31 st
	2021	2020	2019
Profit after tax as per Audited Statement of Account(A)	13.35	3.16	-
Adjustments	-	-	-
Profit after tax as per Restated Profit & Loss(A)	13.35	3.16	-

* There are no major items requiring adjustments

(III) OTHER NOTES

General

- The Company was originally incorporated at Delhi as “Avyukta Dairy Products Private Limited” on 23rd September, 2016 under the provisions of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Delhi. Consequent upon the conversion of Company to public limited company, the name of the Company was changed to “Avyukta Dairy Products Limited” vide fresh certificate of incorporation dated 9th July, 2021 issued by the Registrar of Companies, Delhi.

2. Contingent liabilities

There are no contingent liabilities

3. Dues to Micro enterprises and Small enterprises:

Under the Micro, Small and Medium Enterprise Development Act, 2006 certain disclosure is required to be made related to micro, small and medium enterprise. The company has disclosed the same.

4. Segment Reporting

The company operates only in one reportable business segment viz. Dairy products. Hence, there are no reportable segments under Accounting Standard -17. The conditions prevailing in India being uniform no separate geographical disclosures are considered necessary.

5. In the opinion of the Board, subject to the debts considered doubtful, Current Assets and Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
6. Earnings per Share
The details of Earnings per Share as per AS-20 are provided in Annexure 06.
7. Related Party Transactions:
The details of Related Party Transactions as per AS-18 are provided in Annexure 26.
8. The figures in the Restated Financials are stated in Lacs and rounded off to two decimals and minor rounding off difference is ignored.

Annexure- 05

STATEMENT OF DETAILS OF RESERVES & SURPLUS, AS RESTATED

(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Securities Premium Brought Forward	349.75	258.00	-
Add: Premium on Shares Issued during the year	49.60	91.76	258.00
(Less): Utilised for Bonus Issue	-	-	-
Securities Premium Carried Forward (A)	399.35	349.76	258.00
Government Grants Brought Forward	250.00	73.00	-
Add : Government Grants received during the year	-	177.00	73.00
(Less): Utilised	-	-	-
Government Grants Carried Forward (B)	250.00	250.00	73.00
Revaluation Reserve Brought Forward	68.80	68.80	-
Add : Revaluation Reserve made during the year	-	-	68.80
(Less): Utilised	-	-	-
Revaluation Reserve Carried Forward (C)	68.80	68.80	68.80
Profit / (Loss) Brought Forward	3.23	0.07	0.07
Add: Profit / (Loss) for the Year	35.91	3.16	-
(Less): Adjusted Depreciation / Income Tax	(22.56)	-	-
(Less): Utilised for Bonus Issue	-	-	-
(Add):EPS and EPF Benefits	-	-	-
Profit / (Loss) Carried Forward (D)	16.58	3.23	0.07
Reserves & Surplus (A+B+C+D)	734.73	671.78	399.87

Annexure- 06

STATEMENT OF ACCOUNTING RATIOS

(Rs. In Lacs, except per share data)

Particulars	As at 31st March		
	2021	2020	2019
Restated PAT as per P& L Account (Rs. in Lakhs)	13.35	3.16	-

Particulars	As at 31st March		
	2021	2020	2019
EBITDA	40.36	3.77	(0.01)
Net Worth	669.45	608.50	335.82
Actual No. of Equity Shares outstanding at the end of the period	59,143	55,058	47,500
Weighted Average Number of Equity Shares (Pre Bonus)-(A)	57,117	48,660	30,548
Free reserves Available* (Rs. Lacs)	663.53	602.98	331.07
Bonus Shares to the extent free reserves available (B)	21,88,291	21,88,291	21,88,291
Weighted Average Number of Equity Shares (Post Bonus) (A+B)	22,45,408	22,36,951	22,18,839
Earnings Per Share**			
Basic EPS (Pre Bonus)	23.37	6.49	-
Basic Eps (Post Bonus)	0.59	0.14	-
Return on Net Worth (%)	1.99%	0.52%	-
Net Asset Value Per Share (Before Bonus)	1131.92	1105.20	706.99
Net Asset Value Per Share (After bonus) (Rs)	29.78	27.12	15.02
Face Value per Equity share(Rs.)	10	10	10
* Includes Government grants to the tune of Rs. 250 Lakh, Rs.250 Lakh and Rs. 73 Lakh in fiscal 2021, 2020 and 2019 respectively			
* The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same.			

Notes:

1) The ratios have been calculated as below:

a) Basic Earnings Per Share-(Pre Bonus) (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares (Pre Bonus).

b) Basic Earnings Per Share-(Post Bonus) (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares (Post Bonus).

c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100

d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.

e) Restated Net Asset Value per equity share (Rs.) (Post Bonus) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares (Post Bonus).

2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. Further, number of shares are after considering impact of the bonus shares for calculating Weighted Average Number of Equity Shares (Post Bonus) to the extent of free reserves available in the corresponding year / period.

3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

4) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)

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

Definitions of key ratios:

I. Earnings per share (Rs.): Net Profit attributable to equity shareholders / weighted average number of equity shares. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earnings Per Share" as issued by The Institute of Chartered Accountants of India. As per AS-20, the number of equity shares- outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported. In case of a bonus issue, the bonus shares has been added to corresponding year to the extent of reserves available in the corresponding year. Weighted average number of equity shares outstanding during all the previous years have been considered accordingly.

II. Return on Net Worth (%): Net Profit after tax / Net worth as at the end of the year.

III. Net Asset Value (Rs.): Net Worth at the end of the year / Weighted Average Number of equity shares.

IV. Net Profit, as appearing in the Statement of restated profits and losses, and Net Worth as appearing in the restated statement of Assets & Liabilities has been considered for the purpose of computing the above ratios.

Annexure -07

CAPITALIZATION STATEMENT

Particulars	(Rs. In Lacs)	
	Pre-issue as at 31.03.21	Post Issue *
Borrowing		
Short - Term Debt	-	
Long - Term Debt	1320.34	
Total Debt	1320.34	
Shareholders' Funds		

Particulars	Pre-issue as at 31.03.21	Post Issue *
Share Capital		
- Equity	5.91	
- Preference	-	
Reserves & Surplus	734.73	
Less: Preliminary Expenses / Pre Operative Expenses	-	
Less: Deferred Tax Assets	2.39	
Total Shareholders Funds	738.25	
Long - Term Debt / Shareholders Fund	1.79	
Short - Term Debt / Shareholders Fund	-	

* The Post Issue Capitalization will be determined only after the completion of the allotment of equity shares.

Annexure- 08

STATEMENT OF TAX SHELTERS

(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Profit before tax as per Restated P/L	14.09	3.15	-
Applicable Corporate Tax Rate	26.00%	26.00%	26%
Tax at Notional Rate	3.66	0.82	-
Adjustments			
Difference between Tax Depreciation and Book Depreciation	(9.17)	-	-
Exempted Income	-	-	-
Disallowance	(0.08)	-	-
Set off of Carried forward losses and unabsorbed depreciation	11.29	3.15	-
Other Items	-	-	-
Items Chargeable at special rates	-	-	-
Net Adjustments	2.04	3.15	-
Tax Saving thereon	0.53	0.82	-
Tax Saving to the extent of Tax at Notional Rate	0.53	0.82	-
Tax Payable [A]	3.13	-	-
Tax Payable on items chargeable at special rates [B]	-	-	-
Total Tax Payable [C=A+B]	3.13	-	-
Tax Rebates / Credits [D]	-	-	-
Tax Payable [E=C-D]	3.13	-	-
Tax Payable u/s 115 JB of Income Tax Act [F]	2.20	0.49	-
Final Tax Payable (Higher of [E] & [F])	3.13	0.49	-

Annexure - 09
STATEMENT OF DETAILS OF LONG TERM BORROWINGS

(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Secured:-			
Term Loan from PNB (earlier OBC which now merged in PNB), for setting up of Milk Processing Unit- Construction of Building, civil work, furniture & fixture and installation of machinery and equipments. (Hypothecation of Milk processing unit building, furniture & Fixture (existing & future), machinery & equipments etc. situated at Village Bandipur, Murad Nagar, District Ghaziabad UP	571.75	351.36	249.15
Auto Loan from HDFC against hypothecation of Motor Car	72.08	76.93	-
Unsecured:-			
Loan from Shareholders and Related Parties			
M/s All Times Builders and Impex Private Limited	-	31.69	30.78
M/s Garhwal Logistics Limited	-	10.15	258.65
Ms. Anjani Mittal	170.76	88.58	-
Mr. Avdresh Mittal	-	1.56	-
M/s Aveena Cold Storage Private Limited	-	0.50	-
M/s Better Homes Buildtech Private Limited	505.75	442.00	-
Loan from Others	-	-	-
Total	1320.34	1002.78	538.58

Annexure - 10
STATEMENT OF DETAILS OF SHORT TERM BORROWINGS

(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Secured:-			
Cash Credit Limit for trading operations	-	-	-
Cash Credit Limit for Manufacturing facility	-	-	-
Unsecured:-			
Current Maturities of Term Loan	-	-	-
Loan from Shareholders and Related Parties			
M/s Aveena Cold Storage Private Limited	-	-	7.17
M/s Better Homes Buildtech Private Limited	-	-	92.50
M/s Anjani Enterprises	-	-	1.42
Total	-	-	101.09

Annexure - 11
STATEMENT OF DETAILS OF CURRENT LIABILITIES AND PROVISIONS

(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Current Liabilities			
Trade Payables			

Particulars	31.03.21	31.03.20	31.03.19
Due to Micro, Small and Medium Enterprises	-	-	-
Others	2.02	86.70	26.01
Sub Total (A)	2.02	86.70	26.01
Other Current Liabilities			
Duties and Taxes Payable	-	-	-
Auditors Remuneration Payable	0.30	0.12	0.12
Expenses Payable	-	-	1.76
Sub Total (B)	0.30	0.12	1.88
Provisions			
Provision for Taxes	2.64	-	-
Sub Total (C)	2.64	-	-
Total (A+B+C)	4.96	86.82	27.89

Annexure - 12

STATEMENT OF DETAILS OF TANGIBLE ASSETS

(Rs. In Lacs)

Particulars	As at 31st March		
	2021	2020	2019
<i>Tangible Assets</i>			
Land			
Gross Block at the beginning of the year	133.00	133.00	64.20
Additions	-	-	68.80**
Deletion	-	-	-
Total Gross Block at the end of the year	133.00	133.00	133.00
Less: Accumulated Depreciation	-	-	-
Net Block	133.00	133.00	133.00
Building			
Gross Block at the beginning of the year	495.86	412.55	105.00
Additions	35.41	83.31	307.55
Deletion	-	-	-
Total Gross Block at the end of the year	531.27	495.86	412.55
Less: Accumulated Depreciation	-	-	-
Net Block	531.27	495.86	412.55
Plant & Machinery			
Gross Block at the beginning of the year	965.41	201.23	-
Additions	85.21	764.18	201.23
Deletion	-	-	-
Total Gross Block at the end of the year	1050.62	965.41	201.23
Less: Accumulated Depreciation	-	-	-
Net Block	1050.62	965.41	201.23
Motor Vehicles (Bikes, Cars)			

Particulars	As at 31st March		
	2021	2020	2019
Gross Block at the beginning of the year	84.29	-	-
Additions	-	84.29	-
Deletion	-	-	-
Total Gross Block at the end of the year	84.29	84.29	-
Less: Accumulated Depreciation	21.82	-	-
Net Block	62.47	84.29	-
Total Tangible Assets	1777.36	1678.56	746.78

** Land was revalued by increasing of Rs. 68.80 L in FY 2018-19

Annexure - 13

STATEMENT OF DETAILS OF LONG TERM LOANS AND ADVANCES

(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Loans & Advance to Other Parties	90.98	79.08	260.68
Loans & Advance to Related Parties	-	-	23.66
Total	90.98	79.08	284.34

Annexure - 14

DEFERRED TAX ASSETS (NET)

(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Opening Balance	-	-	-
Add/Less: Addition/Deletion during the year	2.39	-	-
Total	2.39	-	-

Annexure - 15

OTHER NON CURRENT ASSETS

(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Preliminary Expenses	-	-	0.06
Total	-	-	0.06

Annexure - 16

STATEMENT OF DETAILS OF INVENTORIES

(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Raw Materials	-	-	-
Finished Goods	37.55	-	-
Stocks in Transit	-	-	-
Total	37.55	-	-

Annexure - 17
STATEMENT OF DETAILS OF TRADE RECEIVABLES
(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
(A)Unsecured, Considered good outstanding for a period less than six months			
Amount due from Promoter/Group Companies and Directors	-	5.50	-
Others	-	-	-
(B)Unsecured, Considered good outstanding for a period more than six months			
Amount due from Promoter/Group Companies and Directors	-	-	-
Others	-	-	-
Total	-	5.50	-

Annexure - 18
STATEMENT OF DETAILS OF CASH AND BANK BALANCES
(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Cash balances	0.60	2.52	2.64
Balances in current accounts with banks	(0.03)	0.15	0.14
Fixed deposits with banks	5.21	-	-
Total	5.78	2.67	2.78

Annexure - 19
STATEMENT OF DETAILS OF OTHER CURRENT ASSETS
(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
GST Receivable	147.30	-	-
Deposits	3.77	0.25	-
Preliminary Expenses	0.02	0.04	-
TCS Receivable	0.79	0.79	-
Total	151.88	1.08	-

Annexure - 20
STATEMENT OF DETAILS OF REVENUE OF OPERATIONS
(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Sales of Milk	81.25	5.50	-
Total	81.25	5.50	-

Annexure - 21
STATEMENT OF DETAILS OF OTHER INCOME
(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Interest Received	0.11	-	-
Scrap Sales	-	0.96	0.13
Total	0.11	0.96	0.13

Annexure - 22
STATEMENT OF PURCHASES OF STOCK IN TRADE
(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Purchases of Milk	61.25	1.00	-
Total	61.25	1.00	-

Annexure - 23
**STATEMENT OF DETAILS OF CHANGES IN INVENTORIES
(FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE)**
(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Opening Stock	-	-	-
Less Closing Stock	37.55	-	-
(Increase) / Decrease in Stock	(37.55)	-	-

Annexure - 24
STATEMENT OF DETAILS OF EMPLOYEE BENEFIT EXPENSES
(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Salaries & Wages	4.73	-	-
Total	4.73	-	-

Annexure - 25
STATEMENT OF DETAILS OF MANUFACTURING, ADMINISTRATIVE, SELLING AND OTHER EXPENSES
(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Auditor's Remuneration	0.30	0.12	0.12
Electricity & Water Expenses	6.13	-	-
Machinery Installation	0.45	-	-
Fuel Expenses	0.03	-	-
Insurance Charges	0.95	-	-
Pollution License Fee	3.00	-	-
Professional & Legal Fees	0.83	-	-
Processing Fee	0.59	-	-
Preliminary Expenses W/off	0.02	0.02	0.02
Processing Charges	-	1.55	-



AVYUKTA DAIRY PRODUCTS LIMITED

Particulars	31.03.21	31.03.20	31.03.19
Repairing Charges	0.25	-	-
Transportation Service Tax Expenses	0.01	-	-
Total	12.56	1.69	0.14

Annexure - 26
STATEMENT OF DETAILS OF FINANCIAL EXPENSES

(Rs. In Lacs)

Particulars	31.03.21	31.03.20	31.03.19
Interest to Bank	4.08	-	10.85
Interest to Other than Banks	0.08	-	-
Bank Charges	0.29	0.61	3.57
Total	4.45	0.61	14.42

Annexure-27

STATEMENT OF DETAILS OF RELATED PARTY TRANSACTIONS

(Rs. In Lacs)

Particulars	Relationship	Name	31.03.21	31.03.20	31.03.19
<u>REVENUE ITEMS :</u>					
Sales	Group Entity	M/s Aveena Milk Products	-	5.50	-
Purchases	Group Entity	M/s Aveena Milk Productus	-	1.00	-
<u>NON REVENUE ITEMS :</u>					
Advances Received	Director	Ms. Anjani Mittal	170.75	88.59	-
Advances Received	CFO	Mr. Avdhesh Mittal	-	1.56	-
Advances Received	Group Entity	M/s Anjani Enterprises	-	-	1.41
Advances Received	Group Entity	M/s All Times Builders & Impex Private Limited	-	31.69	30.78
Advances Received	Group Entity	M/s Garhwal Logistics Limited	-	10.15	258.66
Advances Received	Group Entity	M/s Aveena Cold Storage Private Limited	-	0.50	7.17
Advances Received	Group Entity	M/s Better Homes Buildtech Private Limited	505.75	442.00	92.50
Equity Contribution	Directors and Relatives	Anjani Mittal, Avdhesh Mittal, Better Homes Buildtech Private Limited	-	-	-

OTHER FINANCIAL INFORMATION
RESTATED STATEMENT OF ACCOUNTING RATIO

(Amt in Rs. Lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Restated Profit after Tax as per Profit & Loss Statement (A)	13.35	3.16	-
Tax Expense (B)	0.74	-	-
Depreciation and amortization expense (C)	21.82	-	-
Interest Cost (D)	4.45	0.61	14.42
Weighted Average Number of Equity Shares at the end of the Year(1) (E)	22,45,408	22,36,951	22,18,839
Number of Equity Shares outstanding at the end of the Year(1) (F)	59,143	55,058	47,500
Nominal Value per Equity share (Rs.) (G)	10.00	10.00	10.00
Restated Net Worth of Equity Share Holders as per Statement of Assets and Liabilities (H)	669.45	608.50	335.82
Current Assets (I)	195.21	9.25	41.00
Current Liabilities (J)	4.96	86.82	128.98
Earnings Per Share - Basic & Diluted(2) (Rs.)	0.59	0.14	-
Return on Net Worth(2) (%)	1.99%	0.52%	-
Net Asset Value Per Share(2) (Rs.)	1,131.92	1,105.20	706.99
Current Ratio(2)	190.25	(77.57)	(87.98)
Earnings before Interest, Tax and Depreciation and Amortization(3) (EBITDA)	40.36	3.77	(0.01)

Notes to Accounting Ratios:

1. *Weighted No. of Shares for the period have been considered after allotment of bonus shares.*
2. *Ratios have been calculated as below:*
 - (a) *Earnings Per Share (Rs.): A/E*
 - (b) *Return on Net Worth (%): A/H*
 - (c) *Net Asset Value per Equity Share (Rs.): H/F*
 - (d) *Current ratio: I/J*
3. *Earning before Interest, Tax and Depreciation and Amortization (EBITDA): A+(B+C+D).*

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS**

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements for the Financial Years ended March 31, 2021, 2020 and 2019, including the notes thereto and the report thereon, which appear elsewhere in this Draft Prospectus. You should also read the section titled "Risk Factors" on page 26 and the chapter titled "Forward Looking Statements" on page 18, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated Financial Statements.

Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI ICDR Regulations and restated as described in the report of our auditor dated 16th August, 2021 which is included in this Draft Prospectus under "Financial Statements". The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the trading or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. No objection dated 1st April, 2021 for use of trademark was accorded to our company by Mr. Avdhesh Mittal;
2. Allotment of 2188291 Equity Shares as Bonus Shares on 21st May, 2021;
3. Increase in Authorised share capital to Rs. 300.00 lakhs w.e.f. 21st May, 2021;
4. Appointment of Mr. Suersh Kumar Goswami as an Independent Director for a period of five year w.e.f. 21st May, 2021;
5. Shareholders of the Company approved the conversion of the Company in its meeting held 02nd July, 2021;
6. ROC issued a Fresh certificate of Incorporation dated 9th July, 2021 consequent upon change of Conversion of our Company to Avyukta Dairy Products Limited.
7. Appointment of Company Secretary and Chief financial officer w.e.f. 15th July, 2021.
8. Change of registered office of the Company at current registered office w.e.f. 16th July, 2021;
9. Increase in Authorised share capital to Rs. 350.00 lakhs w.e.f. 19th July, 2021;
10. Appointment of Ms. Anjani Mitta as Managing Director for five years w.e.f. 19th July, 2021;
11. Appointment of Mr. Rao Laxman yadan as an Independent Director for a period of five years w.e.f. 19th July, 2021;
12. Appointment of Ms. Sarla Duhan as a Non Executive Director Non Independent w.e.f. 19th July, 2021;
13. Board of Directors of our Company in its meeting held on 21st July, 2021 approved Issue of Share through Initial public offerings;
14. Shareholders of the Company in their meeting held on 28th July, 2021 approved issue of shares through initial public offerings;
15. Resignation of Ms. Kanishka Tyagi w.e.f. 02nd August, 2021;
16. Board of Directors in its meeting held on 23rd August, 2021 approved the Draft prospectus in relation to Initial public offer.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factors" beginning on page 26 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Our success depends on the value, perception and marketing of our products;
- General economic and business conditions;
- Company's inability to successfully implement its growth and expansion plans;
- Increasing competition in the Industry;
- Economic, Income and Demographic condition in India;
- Changes in laws and regulations that apply to Industry in which we operate;
- Adverse movements in the exchange rates;
- Dependency on our customers for adaptability of our products;
- Changes in customer taste and preferences;

DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the Audited Financial Results of our Company for the financial years ended March 31, 2021, 2020 and 2019.

SUMMARY OF MAJOR ITEMS OF INCOME AND EXPENDITURE
Revenues:
Income from operations:

Our principal component of revenue from operations is from:

- Sale of Milk

Other Income:

Our other income mainly includes interest and sale of scrap.

(Rs. In Lakhs)

Particulars	31.03.2021	31.03.2020	31.03.2019
Income			
Revenue from operations	81.25	5.50	0
<i>As a % of Total Revenue</i>	99.86%	85.14%	0.00%
Other Income	0.11	0.96	0.13
<i>As a % of Total Revenue</i>	0.14%	14.86%	100.00%
Total Revenue	81.36	6.46	0.13

Expenditure:

Our total expenditure primarily consists of cost of material consumed, employee benefit expenses, finance cost, depreciation, and establishment and other expenses.

Cost of material consumed

Cost of material consumed is primarily from the cost of goods purchased, produced.

Employee benefits expense

Our employee benefits expense primarily comprises of salaries, bonus expenses, staff welfare expenses, conveyance expenses and director's remuneration.

Finance Cost

Our finance cost consists of bank charges and interest cost.

Depreciation

Depreciation includes depreciation on tangible assets.

Other Expenses

Our direct expenditure includes delivery, handling, transportation, electricity, travelling, rent and other expenses which include the following:

- i. General expenses like filing fees, legal and professional fees etc.
- ii. Other expenses such as rent, commissions, postage and courier, printing & stationery, telephone expenses, etc.

SALES ON ACCOUNT OF MAJOR PRODUCTS

	<i>(Rs. In Lakhs)</i>		
Particulars	31.03.21	31.03.20	31.03.19
Sales of Milk	81.25	5.50	-
Total	81.25	5.50	-

IN CASE IF OTHER INCOME CONSTITUTES MORE THAN 10% OF TOTAL INCOME, THE BREAK-UP OF THE SAME ALONG WITH NATURE OF THE INCOME IS NEEDED

Our other income is more than 10% of total income. Details of other Income is as follows:

Particulars	31.03.21	31.03.20	31.03.19
Interest Received	0.11	-	-
Scrap Sales	-	0.96	0.13
Total	0.11	0.96	0.13
% of total income	0.14%	14.86%	100.00%

SUMMARY OF PAST FINANCIAL RESULTS CONTAINING SIGNIFICANT ITEMS OF INCOME AND EXPENDITURE
Statement of profits and loss:

The following discussion on results of operations should be read in conjunction with the Audited Financial Results of our Company for the financial years ended March 31; 2021, 2020, and 2019.

	<i>(Rs. In Lakhs)</i>		
Particulars	31.03.2021	31.03.2020	31.03.2019
Income			

Particulars	31.03.2021	31.03.2020	31.03.2019
Revenue from Operations	81.25	5.50	-
As a % of Total Revenue	99.86%	85.14%	-
Other Income	0.11	0.96	0.13
As a % of Total Revenue	0.14%	14.86%	100.00%
Total Revenue	81.36	6.46	0.13
Growth %			
Expenditure			
Purchase of Stock in trade	61.25	1.00	-
As a % of Total Revenue	15.48%	-	15.48%
Change in Inventory	(37.55)	-	-
Employees Costs	4.73	-	-
As a % of Total Revenue	5.81%	-	-
Operating, Administrative, Selling and Other Expenses	12.57	1.69	0.14
As a % of Total Revenue	15.45%	26.16%	107.69%
Total Expenditure	41.00	2.69	0.14
As a % of Total Revenue	50.39%	41.64%	107.69%
Profit before Depreciation, Interest and Tax	40.36	3.77	(0.01)
As a % of Total Revenue	49.61%	58.36%	-
Depreciation & Amortization	21.82	-	-
As a % of Total Revenue	26.82%	-	-
Profit before Interest & Tax	18.54	3.77	(0.01)
As a % of Total Revenue	22.79%	58.36%	-
Interest & Finance Charges	4.45	0.61	14.42
As a % of Total Revenue	5.47%	9.44%	11092%
Net Profit before Tax	14.09	3.16	(14.43)
PBT Margin	17.3%	48.9%	-
Less: Provision for Taxes:			
Current Tax	3.13	-	-
Deferred tax (Asset)/Liability	2.39	-	-
Total Tax Expense	0.74	-	-
Net Profit After Tax & Before Extraordinary Items	13.35	3.16	(14.43)
Extra Ordinary Items	-	-	-
Net Profit	13.35	3.16	(14.43)
PAT Margin %	16.41%	48.92%	-

WHETHER; MATERIAL PART OF OUR INCOME IS DEPENDENT UPON SINGLE CUSTOMER/SUPPLIER OR FEW MAJOR CUSTOMERES/ SUPPLIERS.

Our Company has not started its commercial productions. However, the % of sales contributed by our major customers for the financial year ended March 31, 2021 is as follows:

Particulars	Customers
Top 5 (%)	
Top 10 (%)	

WHETHER; THE ISSUER HAS DEVIATED FROM STATUTORILY PRESCRIBED MANNER FOR RECORDING SALES AND REVENUE

Our Company has not deviated from statutorily prescribed manner for recording sales and revenues.

THE NATURE OF MISCELLANEOUS INCOME AND MISCELLANEOUS EXPENDITURE FOR THE INTERIM PERIOD AND THE PREDEEDING YEARS

This provision is not applicable on our Company.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2021 WITH FINANCIAL YEAR ENDED MARCH 31, 2020:
INCOME
Income from Operations

(Rs. In Lakhs)

Particulars	2020-21	2019-20	Variance In %
Revenue from Operations	81.25	5.50	1377.27%

The operating income of the Company for the year ending March 31, 2021 is Rs. 81.25 Lakhs as compared to Rs. 5.50 Lakhs for the year ending March 31, 2020, showing an increase of 1377.27%, due to increase in volume of our operations.

Other Income

Our other income decreased by 88.54% from Rs. 0.96 Lakhs to Rs. 0.11 Lakhs. Other income is primarily due to interest income which has seen a decrease in Income from scrap sale.

Direct Expenditure

(Rs. In Lakhs)

Particulars	2020-21	2019-20	Variance In %
Purchase of stock in trade	61.25	1.00	6025.00%

The Cost of purchase of stock in trade for the year ending March 31, 2021 is Rs. 61.25 Lakhs as compared to Rs. 1.00 Lakhs for the year ending March 31, 2020. The increase in cost is primarily due to increase in volume of operations.

Operating, Administrative and Employee Costs

(Rs. In Lakhs)

Particulars	2021-20	2019-20	Variance In %
Employee Costs	4.73	-	100.00%
Operating, Administrative, Selling and Other Expenses	12.57	1.69	643.79%

There is around 100.00% increase in employee costs from Nil Lakhs in financial year 2019-20 to Rs. 4.73 Lakhs in financial year 2020-21 which is due to employment of employee during the Financial year 2020-21. Our other expenses increased by 643.79% from Rs. 1.69 Lakhs in financial year 2019-20 to Rs. 12.57 Lakhs in

financial year 2020-21. The increase has been primarily due to increase in sales and increase in fixed costs like rent.

Depreciation & Amortization Expenses

Depreciation & Amortization expenses for the Financial Year 2020-2021 have increased to Rs. 21.82 Lakhs as compared to Nil Lakhs for the Financial Year 2019-2020 due to Increase in net block of assets.

Finance Cost

(Rs. In Lakhs)

Particulars	2020-21	2019-20	Variance In %
Finance Cost	4.45	0.61	629.51%

Interest and finance charges increased by 629.51% from Rs. 0.61 Lakhs in financial year 2019-20 to Rs. 4.45 Lakhs in financial year 2020-21, as business picked up in the year and hence we had to increase borrowings to meet the investing needs.

Profit before Tax

(Rs. In Lakhs)

Particulars	2020-21	2019-20	Variance In %
Profit Before Tax	14.09	3.16	345.89%

Profit before tax increased by 345.89% from Rs. 3.16 Lakhs in financial year 2019-20 to Rs. 14.09 Lakhs in financial year 2020-21. The percentage increase in profit before tax is in line with increase in volume of operations.

Provision for Tax and Net Profit

(Rs. In Lakhs)

Particulars	2020-21	2019-20	Variance In %
Taxation Expense	0.74	-	100.00%
Profit After Tax	13.35	3.16	322.47%

Our profit after tax increased by 322.47% from Rs. 3.16 Lakhs in financial year 2019-20 to Rs. 13.35 Lakhs in financial year 2020-21. This increase is in line with increase in volume of business operations.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2020 WITH FINANCIAL YEAR ENDED MARCH 31, 2019:

INCOME

Income from Operations

(Rs. In Lakhs)

Particulars	2019-20	2018-19	Variance In %
Revenue from Operations	5.50	-	100.00%

**AVYUKTA DAIRY PRODUCTS LIMITED**

The operating income of the Company for the year ending March 31, 2020 is Rs. 5.50 Lakhs as compared to Nil for the year ending March 31, 2019, showing an increase of 100.00%, due to increase in volume of our operations.

Other Income

Our other income increased by 638.46% from Rs. 0.13 Lakhs to Rs. 0.96 Lakhs due to increase in income from of sale of scrap.

Direct Expenditure*(Rs. In Lakhs)*

Particulars	2019-20	2018-19	Variance In %
Purchase of Stock in Trade	1.00	-	100.00%

The Cost of purchase of stock in trade of the Company for the year ending March 31, 2020 was Rs. 1.00 Lakhs as compared to Nil Lakhs for the year ending March 31, 2019, showing a increase of 100.00%, and such increase was due to increase in volume of our operations.

Operating, Administrative and Employee Costs*(Rs. In Lakhs)*

Particulars	2019-20	2018-19	Variance In %
Employee Costs	-	-	-
Operating, Administrative, Selling and Other Expenses	1.69	0.14	1107.14%

There is no employee cost during the financial year 2018-19 and 2019-20 due to non employment of permanent staff. Our other expenses increased by 1107.14% from Rs. 0.14 Lakhs in financial year 2018-19 to Rs. 1.69 Lakhs in financial year 2019-20 which is line with increase of sales.

Depreciation & Amortization Expenses

Depreciation & Amortization expenses were Nil during the financial year 2019-20 and 2018-19 since there were no tangible assets.

Finance Cost*(Rs. In Lakhs)*

Particulars	2019-20	2018-19	Variance In %
Finance Cost	0.61	14.42	(95.77%)

Interest and finance charges decreased by 95.77% from Rs. 14.42 Lakhs in financial year 2018-19 to Rs. 0.61 Lakhs in financial year 2019-20. The decrease was primarily due to decrease in Interest expense and bank charges.

Profit before Tax*(Rs. In Lakhs)*

Particulars	2019-20	2018-19	Variance In %
Profit Before Tax	3.16	(14.43)	100.00%

**AVYUKTA DAIRY PRODUCTS LIMITED**

Profit before tax increased by 100.00% from Rs. (14.43) Lakhs in financial year 2018-19 to Rs. 3.16 Lakhs in financial year 2019-20 primarily due to benefits of financial leverage and increase in sales.

Provision for Tax and Net Profit*(Rs. In Lakhs)*

Particulars	2019-20	2018-19	Variance In %
Taxation Expense	-	-	-
Profit After Tax	3.16	-	100.00%

Our profit after tax increased by 100.00% from Rs. Nil Lakhs in financial year 2018-19 to Rs. 3.16 Lakhs in financial year 2019-20.

OTHER MATTERS**Unusual or infrequent events or transactions**

There are no transactions or events, which in our best judgment, would be considered unusual or infrequent that have significantly affected operations of the Company.

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

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in the uncertainties described in the section entitled 'Risk Factors' beginning on page 26 of this draft prospectus. To our knowledge, except as we have described in this draft prospectus, there are no known factors which we expect to bring about significant economic changes.

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

Other than as disclosed in the section titled "Risk Factors" beginning on page 26 of this Draft Prospectus to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future changes in relationship between costs and revenues in case of events such as future increase in labor or material cost or prices that will cause material change.

According to our knowledge, there are no future relationship between cost and income that would be expected to have a material adverse impact on our operations and revenues. However, increase in the cost of the products and services in which the Company deals, will affect the profitability of the Company. Further, the Company may not be able to pass on the increase in prices of the products and services to the customers in full and this can be offset through cost reduction.

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

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

**AVYUKTA DAIRY PRODUCTS LIMITED****Status of any publicly announced new products/projects or business segments.**

Our Company has not announced any new projects or business segments, other than disclosed in the Draft Prospectus.

The extent to which the business is seasonal.

Our Company's business is not seasonal in nature.

Competitive Conditions

Competitive conditions are as described under the Chapters titled "Industry Overview" and "Our Business" beginning on pages 99 and 111 respectively of the Draft Prospectus.

CAPITALIZATION STATEMENT

(Amount in Lakhs)

Particulars	Pre-issue as at 31.03.21	Post Issue *
Borrowing		
Short - Term Debt	-	
Long - Term Debt	1320.34	
Total Debt	1320.34	
Shareholders' Funds		
Share Capital		
- Equity	5.91	
- Preference	-	
Reserves & Surplus	734.73	
Less: Preliminary Expenses / Pre Operative Expenses	-	
Less: Deferred Tax Assets	2.39	
Total Shareholders Funds	738.25	
Long - Term Debt / Shareholders Fund	1.79	
Short - Term Debt / Shareholders Fund	-	

* The Post Issue Capitalization will be determined only after the completion of the allotment of equity shares.

SECTION-VII LEGAL AND OTHER INFORMATION**OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoter or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Draft Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Draft Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Draft Prospectus; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Draft Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.

For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Draft Prospectus:

- a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, or Group Companies, as the case may be shall be deemed to be material;
- b) All pending litigation involving our Company, Promoter, Directors, or Group Companies as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (a) the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of Rs. 10,00,000/- (Rupees Ten lakhs only) or 5% of the net profits after tax of the Company for the most recent audited fiscal period whichever is lower; or (b) where the monetary liability is not quantifiable, each such case involving our Company, Promoter, Directors, or Group Companies, whose outcome would have a bearing on the business operations, prospects or reputation of our Company;
- c) Notices received by our Company, Promoter, Directors, or Group Companies, as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoter / Group Companies, as the case may be, are impleaded as parties in proceedings before any judicial forum.

Except as stated in this chapter, Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.



LITIGATION INVOLVING OUR COMPANY

Against our Company

Criminal Litigation

Nil

Civil Proceedings

Nil

Proceedings against Our Company for economic offence/securities laws/ or any other law

Nil

Penalties in Last Five Years

Nil

Pending Notice against our Company

Nil

Past Notice to our Company

Nil

Disciplinary Action taken by SEBI or stock exchanges against Our Company

Nil

Defaults including non-payment or statutory dues to banks or financial institutions

Nil

Details of material fraud against the Company in last five years and action taken by the Companies.

Nil

LITIGATION FILED BY OUR COMPANY

Civil Proceedings

Case No. WRIC/3728/2018, the writ petition has been filed against State of U.P. The said case has been registered under Uttar Pradesh Revenue Code 2006 and Uttar Pradesh Revenue Code Rules 2016. The Standing Counsel has accepted the Notice on behalf of the Respondents. It was further stated that this petition is likely to be disposed of finally on the next hearing date. The current status of the case is for admission and next hearing date has not been listed yet.

Criminal Litigation

Nil

Taxation Matters

Nil

Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law

Nil

LITIGATION INVOLVING DIRECTORS OF OUR COMPANY***Litigation against our Directors***

Nil

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Past Penalties imposed on our Directors

Nil

Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law

Nil

Directors on list of willful defaulters of RBI

Nil

Litigation by Directors of Our Company***Criminal Litigation***

Nil

Civil Proceedings

Nil

Taxation Matters

Nil



LITIGATION INVOLVING PROMOTER OF OUR COMPANY

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Past Penalties imposed on our Promoters

Nil

Proceedings initiated against our Promoters for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter in last five years

Nil

Penalties in Last Five Years

Nil

Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in Past

Nil

Adverse finding against Promoter for violation of Securities laws or any other laws

Nil

Litigation by Our Promoters

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

LITIGATION INVOLVING OUR GROUP COMPANIES*Outstanding Litigation against our Group Companies*

Nil

Criminal Litigation

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Past Penalties imposed on our Group Companies

Nil

Proceedings initiated against our Group Companies for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Group Companies

Nil

Adverse finding against Group Companies for violation of Securities laws or any other laws

Nil

LITIGATION BY OUR GROUP COMPANIES*Criminal Litigation*

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Details of any inquiry, inspection or investigation initiated under present or previous companies laws in last five years against the Company or its subsidiaries: NIL

Others:

1. Case No. 18220/202, the case has been registered against Mr. Avadhesh Mittal, member of Promoter group of Avyukta Dairy Products Limited. The case has been filed with the Chief Judicial Magistrate, Ghaziabad under Section 323 of the Indian Penal Code. If found guilty under Section 323 of the Indian Penal Code shall entail punishment with imprisonment of either description for a term which may extend to one year, or with fine which may extend to one thousand rupees, or with both. The current status of the case is for Appearance and next hearing date is 18th November 2021.
2. Case No. 18220/2021, the case has been registered against Mr. Avadhesh Mittal, Promoter of Avyukta Dairy Products Limited. The case has been filed with the Chief Judicial Magistrate, Ghaziabad under Section 323 and 506 of the Indian Penal Code. If found guilty under Section 323 of the Indian Penal Code shall be punished with imprisonment of either description for a term which may extend to one year, or with fine which may extend to one thousand rupees, or with both. If found guilty under section 506 of the Indian Penal Code shall be punished with imprisonment of either description for a term which may extend to two years, or with fine, or with both. The current status of the case is for Appearance and next hearing date is 19th November 2021.
3. Demand Reference No: 2019201737085028675T:
The Demand Notice has been issued to Mr. Avadhesh Mittal, Promoter of Avyukta Dairy Products Limited for the A.Y. 2017 of Rs. 13,68,465/- under Section 143(3) of IT Act 1961. The said amount is outstanding and payable as on 1st August 2021.

MATERIAL FRAUDS AGAINST OUR COMPANY

There have been no material frauds committed against our Company in the five years proceeding the year of this Draft Prospectus.

PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES

There are no proceedings initiated against our Company for any economic offences.

NON PAYMENT OF STATUTORY DUES

As on the date of the Draft Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

PAST CASES WHERE PENALTIES WERE IMPOSED

Other than as mentioned above, there are no past cases where penalties were imposed on our Company by concerned authorities/courts.

OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

As on the date of the Draft Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS

Except as stated in this chapter, there have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of the Draft Prospectus in the case of our Company, Promoter, Directors. Other than as



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described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Draft Prospectus.

Further, except as stated in this chapter, there is no legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoter during the last five years immediately preceding the year of the issue of the Draft Prospectus and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

Material Developments since the Last Balance Sheet

Except as disclosed in Management Discussion and Analysis of Financial Condition and results of operations, there have been no material developments.

OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on March 31, 2021:

Name	Amount Due (Rs. In Lakhs)
Total Outstanding dues to Micro and Small & Medium Enterprises	Nil
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	2.02

GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, licenses, registrations and permits issued by relevant Central and State regulatory authorities under various rules and regulations. For details see “Key Industry Regulations and Policies” on page 124. Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/ regulatory authorities/ certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities.

APPROVALS FOR THE ISSUE

1. The Board of Directors has, pursuant to resolution passed at its meeting held on 21st July, 2021 authorized the Issue.
2. The Shareholders of our Company have, pursuant to a resolution passed at Extra Ordinary General Meeting held on 28th July, 2021 authorized the Issue.
3. We have received in-principle approvals from SME Platform of BSE Limited for the listing of our Equity Shares pursuant to letter dated [●].

INCORPORATION DETAILS

1. Certificate of Incorporation dated September 23, 2016 issued by Registrar of Companies, Delhi in the name of Avyukta dairy Products Private Limited.
2. Fresh Certificate of Incorporation dated July 09, 2021 issued by Registrar of Companies, Delhi, consequent upon conversion from private limited to limited company in the name of Avyukta Dairy Products Limited.
3. The Company Identification Number (CIN) is U74999DL2016PLC306343.

APPROVALS/LICENSES/PERMISSIONS PROCURED TO CONDUCT OUR OPERATION:

Sr. No.	Nature of Licenses/ Approval Granted	Issuing Authority	Registration/ License No.	Date of Granting Renewal/ Approval	Validity
A.	Corporate Approvals				
1)	Udyam Registration Certificate	Ministry of Micro, Small and Medium Industry, Govt. of India	UDYAM-DL-08-0003053	17-09-2020	Until cancelled or surrendered
B.	Tax Related Approvals				



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Sr. No.	Nature of Licenses/ Approval Granted	Issuing Authority	Registration/ License No.	Date of Granting Renewal/ Approval	Validity
1)	Permanent Account Number	Income Tax Department, Govt. of India	AAOCA8057E	-	Until cancelled or surrendered
2)	Tax Deduction Account Number	Income Tax Department, Govt. of India	DELA63328G	-	Until cancelled or surrendered
3)	Goods and Services Tax	Income Tax Department, Govt. of India	09AAOCA8057E1ZD	05-12-2018	Until cancelled or surrendered
4)	Tax Account Number	Income Tax Department, Govt. of India	27AAACN2082N1Z8		Until cancelled or surrendered
C.	Approvals Relating to Factory Operations				
1)	FSSAI Registration Certificate	Central Licensing Authority of India under FSSA, 2006	10020051003330	10-01-2020	09-01-2025
D	Trademarks				
1)	Aveena Milk Products*	Office of the Controller General of Patents, Design and Trade Marks, Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Govt. of India	3041219	01-06-2015	26-08-2025

**the trademark has been registered in the name of Mr. Avdhesh Mittal, part of promoter group and has provided his No objection to use the said mark by the Company for its products. Please the risk factor on page 26 of this Draft Prospectus.*

Websites: www.avyuktadairy.com



OUR GROUP COMPANY

As per the SEBI (ICDR) Regulations, for the purpose of identification of Group Companies, our Company has considered companies covered under the applicable accounting standard, i.e., AS-18 as per the Restated Financial Statements and other companies considered material by our Board with which our Company has had related party transactions during the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019.

Pursuant to a resolution of our Board dated July 21, 2021 our Board has adopted a policy for determining material group companies for the purpose of disclosure in the offer documents in connection with the Issue, and as per the said policy, a Company shall be considered material and disclosed as a Group Company, if such company is a part of the Promoter Group as defined under the SEBI (ICDR) Regulations and our Company has entered into one or more transactions such that, individually or cumulatively such transaction exceeds 20% of the total revenue of our Company of the previous financial years in respect of which, such financial statements are included in this Draft Prospectus.

Based on the above, as on the date of filing this Draft Prospectus, there are no companies which are considered as material group companies for the purpose of disclosure in this Draft Prospectus except as follows:

Name of the Entity: Aveena Milk Products,
PAN: AAZFA0319F,
Date Of Incorporation: 06th January, 2014.



OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on 21st July, 2021 subject to the approval of the shareholders of the Company and such other authorities, as may be necessary.

The shareholders of the Company have, pursuant to a special resolution passed in Extra-Ordinary General Meeting held on 28th July, 2021, authorised the Issue under Section 62 (1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.

We have received in principle approval from BSE Limited vide their letter dated [●] to use the name of BSE Limited in the Draft Prospectus for listing of our Equity Shares on SME Platform of BSE Limited. BSE Limited is the Designated Stock Exchange for the purpose of this issue.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, our Directors, our Promoters, our Promoter Groups, Person in control of our Promoter or Company, are not prohibited from accessing or operating in the capital markets or debarred from buying, selling, or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/ court as on the date of this Draft Prospectus.

CONFIRMATIONS

1. We confirm that our company, our Promoters, our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
2. None of our Directors in any manner are associated with any entities which are engaged in securities market.
3. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoters or directors.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the issue in accordance with regulation 229 (1) and other applicable provisions of Chapter IX of the SEBI (ICDR) Regulation, 2018, because as an issuer our post issue paid-up capital is less than Rs. 10 Crores.

Our Company also complies with the eligibility conditions laid by the SME Platform of BSE Limited for listing of our Equity Shares. The point wise Criteria for SME Listing at BSE Limited and compliance thereof are given hereunder;

1. **The Issuer should be a company incorporated under the Companies Act 1956 / Companies Act, 2013**

Our Company got incorporated on 23.09.2016 under the Companies Act, 2013.

2. **The post issue paid up capital of the company (face value) shall not be more than Rs. 2,500.00 Lakh.**

The present paid-up capital of our Company is Rs. 224.74 Lakh and we are proposing issue of 8,28,000 Equity Shares of Rs. 10/- each at issue price of Rs. 43/- per Equity Share including share premium of Rs. 33/- per Equity Share, aggregating to Rs. 356.04 Lakh. Hence, our Post Issue Paid up Capital will be Rs. 307.54 Lakh which is less than Rs. 2,500.00 Lakh.

3. Positive Net worth

Net worth of the Company as on 31st March, 2021 is Rs. 669.45 Lakh.

4. Net Tangible Assets should be more than Rs. 150 Lakh

The Net Tangible Assets of the Company as on 31st March, 2021 is Rs. 2063.55 Lakh.

5. Track Record.

- A. The Company should have a (combined) track record of at least 3 years.
Our Company got incorporated on 23.09.2016 and therefore has a track record as specified by BSE Limited.
- B. The Company has combined positive cash accruals (earnings before depreciation and tax) from operations for any one financial years out of three financial years preceding the application and its net worth is positive.

Particulars	For the year ended as on March 31 st , 2021	For the year ended as on March 31 st , 2020	For the year ended as on March 31 st , 2019
Net Worth as per Restated Financial Statements *	669.45	608.50	335.82
Cash Accruals as per Restated Financial Statement**	35.91	3.16	(14.43)
Net Tangible Assets***	2063.55	1766.89	1072.12

****“Net Worth” has been defined as the aggregate of the paid up share capital and reserves and surplus excluding miscellaneous expenditure, if any.*

*** “Cash accruals” has been defined as the Earnings before depreciation and tax from operations*

**** “Net Tangible Assets” are defined as sum of total fixed assets and current assets and deduction of current liabilities out of that and excluding intangible assets, if any.*

6. Other Requirements

- A. It is mandatory for a company to have a website.

The Company has a live and operational website: www.avyuktadairy.com

- B. It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories.

To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Tripartite agreement dated August 12, 2021 with NSDL, our Company and Registrar to the Issue;
- b. Tripartite agreement dated July 22, 2021 with CDSL (Digitally signed on 22nd July, 2021), our Company and Registrar to the Issue;

The Company's equity shares bear an ISIN: INE0IBJ01012.

- C. There should not be any change in the promoters of the company in preceding one year from date of filing the application to BSE for listing under SME segment.



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There has been no change in the promoter(s) of the company in the one year preceding the date of filing application to BSE for listing on SME Platform.

- D. None of our promoters or Directors has been declared as fugitive economic offender under Economic Offenders Act, 2018.
- E. The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- F. There is no winding up petition against our Company, which has been admitted by the court. Also, no liquidator has been appointed.

Further, except as mentioned in this chapter titled ***“Outstanding Litigation and Material Developments”*** there has been no violation of any Securities Law committed by any of them in the past and no such proceedings are currently pending against any of them.

7. Disclosures

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:

1. In accordance with regulation 260(1) and 260(2) of SEBI (ICDR) Regulations, this issue will be 100% underwritten and shall not restrict to the minimum subscription level. The LM shall underwrite at least 15% of the Total Issue size. For further details pertaining to underwriting please refer to section titled ***“General Information”*** beginning on page 54 of this Draft Prospectus.
2. In accordance with regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Draft Prospectus/ Prospectus.
4. In accordance with Regulation 261 of SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this Issue. For further details of the market making arrangement see section titled ***“General Information”*** beginning on page 54 of this Draft Prospectus.
5. The track record of the Company as per the Standalone Restated Financial statements for the financial year ended March 31, 2021, 2020 and 2019 is as set forth below:

Particulars	For the financial year ended 31 st March		
	2021	2020	2019
Profit/(Loss) (Rs. in Lacs)	13.35	3.16	-

6. The Company has not been referred to Board for Industrial and Financial Reconstruction.
7. No petition for winding up is admitted by the court or a liquidator has not been appointed of competent jurisdiction against the Company.



8. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the company.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTICTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY THE SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MANAGER NAVIGANT CORPORATE ADVISORS LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MANAGER, NAVIGANT CORPORATE ADVISORS LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, NAVIGANT CORPORATE ADVISORS LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED 23RD AUGUST, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018

THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Prospectus with the Registrar of Companies, Delhi, in terms of Section 26 and 32 of the Companies Act, 2013.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Prospectus does not, however, constitute an invitation to purchase shares issued hereby in any jurisdiction other than India to any person to whom it



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is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Delhi only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus has been filed with BSE Limited for its observations and BSE Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE

BSE Limited ("BSE") has given vide its letter dated [•] granted permission to this Company to use its name in this Issue document as one of the stock exchanges on which this company's securities are proposed to be listed on the SME Platform. BSE has scrutinized this issue document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE Ltd does not in any manner:-

- i. Warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; or
- ii. Warrant that this Company's securities will be listed or will continue to be listed on BSE; or
- iii. Take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company.

And it should not for any reason be deemed or construed that this Draft Prospectus has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

LISTING

Application will be made to the "BSE Limited" for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The BSE Limited has given its in-principle approval for using its name in the Offer Document vide its letter no. [•] dated [•].



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If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Draft Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited mentioned above are taken within six Working Days from the Issue Closing Date.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in the Draft Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, www.avyuktadairy.com would be doing so at his or her own risk.

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Banker to the Company and (b) Lead Manager, Syndicate Member, Underwriter, Market Maker, Registrar to the Issue, Banker to the issue*, Sponsor Bank*, Legal Advisor to the Issue, to act in their respective capacities have been obtained and shall be filed along with a copy of the Draft Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Draft Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Draft Prospectus and Prospectus for filing with the RoC.

**The aforesaid will be appointed prior to filing of Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

EXPERT TO THE ISSUE

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

- Report of the Auditor on Statement of Tax Benefits
- Report of the Auditor on Restated Financial Statements for the financial year ended March 31, 2021, 2020 and 2019 of our Company.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in 205 Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.



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Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

PREVIOUS RIGHTS AND PUBLIC ISSUES

Except as stated in the section titled “**Capital Structure**” beginning on page 63 of this Draft Prospectus, we have not made any previous rights and/or public issues during last 5 years, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “**Initial Public Offering**” in terms of the SEBI (ICDR) Regulations.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last 5 years.

CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY ISSUER COMPANY AND LISTED GROUP COMPANIES / SUBSIDIARIES / ASSOCIATES

Neither our Company nor any of our Group Companies/ Associates have undertaken any capital issue or any public or rights issue in the last three years preceding the date of this Draft Prospectus. Further, as on date of this Draft Prospectus our Company has no any subsidiary company.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY AND/OR LISTED SUBSIDIARY COMPANY AND/OR LISTED PROMOTER COMPANY

Our Company is an “**Unlisted Issuer**” in terms of the SEBI (ICDR) Regulations and this Issue is an “**Initial Public Offering**” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us. Further, as on date of this Draft Prospectus our Company has no any corporate promoter and subsidiary company.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issues handled by Navigant Corporate Advisors Limited, please refer “Annexure -A” to this Draft Prospectus and the website of Lead Manager at www.navigantcorp.com.

STOCK MARKET DATA FOR OUR EQUITY SHARES OF OUR COMPANY

Our Company is an “**Unlisted Issuer**” in terms of the SEBI (ICDR) Regulations, and this Issue is an “**Initial Public Offering**” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.



MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the bidder, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted. All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant / Bidder, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants / bidders.

Further, as on date of this Draft Prospectus our Company has no any subsidiary company and none of our Group Companies is listed on any stock exchanges, so disclosure regarding mechanism for redressal of investor grievances for our subsidiary companies and group companies are not applicable.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 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 is registered on the SEBI Complaints Redress System (SCORES) for redressal of investor grievances. We haven't received any investor complaint during the preceding three years. As on the date of this Draft Prospectus, there is no investor complaints are pending.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on July 21, 2020. For further details, please refer to the section titled "**Our Management**" beginning on page 143 of this Draft Prospectus.

Our Company has appointed Ms. Nisha Singh as Company Secretary and Compliance Officer and she may be contacted at the following address:

Ms. Nisha Singh

BB-17, Greater Kailash Enclave-II,

New Delhi, South Delhi - 110048

CIN: U74999DL2016PLC306343

Tel. No.: 011-35594832

Email: info@avyuktadairy.com

Website: www.avyuktadairy.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-issue or post-issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

PURCHASE OF PROPERTY

Except as disclosed in this Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present issue or the purchase or acquisition of which has not been completed on the date of this Draft Prospectus. Except as stated elsewhere in this Draft Prospectus, Our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.



SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

SECTION VIII-ISSUE RELATED INFORMATION**TERMS OF THE ISSUE**

The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.

Please note that in terms of SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue shall use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.

AUTHORITY TO THE ISSUE

The present Public Issue of upto 8,28,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on 21st July, 2021 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-ordinary General Meeting held on 28th July, 2021 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

RANKING OF EQUITY SHARES

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “**Main Provisions of the Articles Of Association**” beginning on page 252 of this Draft Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any, declared) will be approved by the Board of Directors.

FACE VALUE AND ISSUE PRICE

The face value of the Equity Shares is Rs. 10/- each and the Issue Price is Rs. 43/- per Equity Share.



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The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “Basis For Issue Price” beginning on page 94 of this Draft Prospectus.

At any given point of time there shall be only one denomination for the Equity Shares.

COMPLIANCE WITH SEBI (ICDR) REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled “Main Provisions of the Articles Of Association” beginning on page 252 of this Draft Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act 2013, the Equity Shares shall be allotted only in dematerialized form. As per the existing SEBI (ICDR) Regulations, 2018, the trading of the Equity Shares shall only be in dematerialized form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of 3,000 Equity Shares and the same may be modified by SME Platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 3,000 Equity Shares subject to a minimum allotment of 3,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

MINIMUM NUMBERS OF ALLOTTEES

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by the SCSBs shall be unblocked within 6 Working days of closure of issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Delhi.



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The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulations under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

JOINT HOLDERS

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

NOMINATION FACILITY OF INVESTOR

In accordance with Section 72(1) & 72(2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicants, may nominate up to three persons, vide Multiple Nominations facility made available by CDSL and NSDL, to whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest in respect of Percentage assigned to each nominee at the time of nomination. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72(4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination interest shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

**WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the LM, reserve the right to not to proceed with the issue after the Bid/issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre-issue advertisements were published, within two days of the Bid/issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the issue. The LM through, the Registrar of the issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

PERIOD OF OPERATIONS OF SUBSCRIPTION LIST OF PUBLIC ISSUE

ISSUE OPENS ON	[•]	ISSUE CLOSES ON	[•]
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An indicative time table in respect of the Offer is set out below:

EVENT	INDICATIVE DATE
Issue Opening Date	[•]
Issue Closing Date	[•]
Finalization of Basis of Allotment with BSE	[•]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	[•]
Credit of Equity Shares to demat accounts of Allottees	[•]
Commencement of trading of the Equity Shares on BSE	[•]

The above timetable is indicative and does not constitute any obligation on our Company. 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 BSE is taken within six Working Days from the Offer Closing Date, the time table may change due to various factors, such as extension of the Issue Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of Applications received upto the closure of timings and reported by the Lead Manager to the Stock Exchange. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, not later than 5.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public issue, some Applications may not get uploaded due to lack of sufficient time. Such Applications that are not uploaded will not be considered for allocation under the Issue. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.



In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

MINIMUM SUBSCRIPTION AND UNDERWRITING

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

The issuer does not receive the minimum subscription of hundred percent of the offer through offer document on the date of closure of the issue or devolvement of Underwriter, if any, within sixty (60) days from the date of closure of the issue or withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchanges for the securities so offered under the offer document, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen percent per annum.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 6 working days of closure of issue.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “General Information - Underwriting” on page 54 of this Draft Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

NO RESERVATION FOR EIGIBLE NRIS, FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND QFIS

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE

The current provisions of the Foreign Exchange Management (Transferor Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign



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Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the equity shares will happen in the minimum contract size of 3,000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by SME Platform of BSE from time to time by giving prior notice to investors at large.

However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Minimum Promoters' Contribution in the Issue as detailed in the section "Capital Structure" beginning on page 63 of this Draft Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "Main Provisions of the Articles Of Association" beginning on page 252 of this Draft Prospectus.

NEW FINANCIAL INSTRUMENTS

The Issuer Company is not issuing any new financial instruments through this Issue.

OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the issue shall be allotted only in dematerialized form. Further, as per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form on the Stock Exchange.

Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

MIGRATION TO MAIN BOARD

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

If the Paid up Capital of the company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in



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favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

If the Paid up Capital of the company is more than Rs. 10 crores but below Rs. 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

MARKET MAKING

The shares issued through this issue are proposed to be listed on the BSE SME, wherein the Lead Manager to this issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the BSE SME.

For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to section titled “General Information - Details of the Market Making Arrangements for this issue” on page 54 of this Draft Prospectus.

PRE - ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Draft Prospectus with the RoC publish a pre issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to ten crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange"), in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "**Terms of the Issue**" and "**Issue Procedure**" on page 210 and 220.

Public issue of 8,28,000 equity shares of face value of Rs. 10/- each for cash at a price of Rs. 43/- per equity share including a share premium of Rs. 33/- per equity share (the "issue price") aggregating to Rs. 356.04 Lakhs ("the issue") by our Company.

Particulars	Net Issue to Public	Market Maker reservation portion
Number of Equity Shares*	7,86,000 Equity Shares	42,000 Equity Shares
Percentage of Issue Size available for allocation	94.96 % of the Issue Size 25.56 % of the Post Issue Paid up Capital	5.07 % of the Issue Size 1.37 % of the Post Issue Paid up Capital
Basis of Allotment/ Allocation if respective category is over subscribed	Proportionate subject to minimum allotment of 3,000 Equity Shares and Further allotment in multiples of 3,000 Equity Shares each. For further details please refer to the section titled " Issue Related Information-Issue Procedure ", " Basis Of Allotment " on page 210 of this Draft Prospectus.	Firm Allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through ASBA Process including through UPI mode (as applicable)	Through ASBA mode Only.
Minimum Application Size	For QIB and NII: Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application Value exceeds Rs. 2,00,000 For Retail Individuals: 3,000 Equity Shares	42,000 Equity Shares
Maximum Bid	For QIB and NII: Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application Size does not exceed 7,86,000 Equity Shares subject to limit the investor has to adhere under the relevant laws and regulations applicable. For Retail Individuals: 3,000 Equity Shares so that the Application	42,000 Equity Shares

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Particulars	Net Issue to Public	Market Maker reservation portion
	Value does not exceed Rs. 2,00,000	
Mode of Allotment	Compulsorily in dematerialized mode	Compulsorily in dematerialized mode
Trading Lot	3,000 Equity Shares	3,000 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Terms of payment	The entire Application Amount shall be blocked by the SCSBs in the bank account of Applicants, or by the Sponsor Banks through UPI mechanism (for RIs using the UPI mechanism) at the time of the submission of the Application Form.	

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to “*Issue Structure*” on page 217.

*Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- Minimum of 50.00% of the net offer of shares to the public (i.e. 3,93,000 Equity Shares) shall be made available for retail individual investors; and
- The balance net issue of shares to the Public shall be made available for allotment to individual applicants other than retail individual investors and other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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

Withdrawal of the Issue

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs or the Sponsor Bank, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.



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Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Draft Prospectus after it is filed with the ROC.

ISSUE PROGRAMME

ISSUE OPENS ON	[•]
ISSUE CLOSES ON	[•]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the issue closing date:

- a) A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE after taking into account the total number of applications received up to the closure of timings and reported by LM to BSE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the physical Application form, for a particular applicant, the details as per physical application form of that Applicant may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

ISSUE PROCEDURE

All Applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular SEBI/HO/CFD/DIL2/CIR/P/2020/37 dated March 17, 2020 and the 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 Securities contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the LM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Applications by Retail Individual Bidders 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 Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs 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 Applications by RIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), Further pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. The final reduced timeline of T+3 days be made effective using the UPI Mechanism for applications by RIs (“UPI Phase III”), as may be prescribed by SEBI.

The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of this Draft 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 Issue Closing Date, the Applicant shall be

compensated at a uniform rate of Rs.100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days

Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Application are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form. Further, the Company and the LM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE

SEBI has issued circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 and circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (collectively the “UPI Circulars”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circular proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an Retail Individual had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six working days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six working days during this phase.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three working days.



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All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI payment mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made in compliance with the provisions of Reg. 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non Retail Category i.e. QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion offered to the remaining investors including QIBs and NIIIs and vice-versa subject compliance with Regulation 253(2) of the SEBI ICDR Regulations and subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number/UPI ID (for RII Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

APPLICATION FORMS

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants (other than Applicants using the UPI mechanism) must provide either (i) the bank account details and authorisation to block funds their respective ASBA Form, or (ii) the UPI ID (in case of RIIs), as applicable, in the relevant space provided in the Application Form and the Application Forms that do not contain such details will be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejected.

Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) shall be required to apply using the UPI Mechanism and must provide the UPI ID in the relevant space

provided in the Application Form. Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) failed to mention UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of Electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

**Excluding Electronic Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a RII bidding using the UPI Mechanism) to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchange. Stock Exchange shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchange. Stock Exchange shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Application details already uploaded.

For RIIs using UPI Mechanism, the Stock Exchange shall share the Application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to 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.

The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange applying platform, and the liability to compensate RIIs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Bankers to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to the Issue. The LM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

ELECTRONIC REGISTRATION OF APPLICATIONS

The Designated Intermediary may register the Applications using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Issue on a regular basis before the closure of the Issue.

On the Issue Closing Date, the Designated Intermediaries may upload the Applications till such time as may be permitted by the Stock Exchanges and as disclosed in the Draft Prospectus.

Only Applications 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 Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

WHO CAN APPLY?

In addition to the category of Applicants as set forth under “General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: “Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FIs and sub-accounts of FIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant’s category;



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- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund setup by Resolution no. F.No.2/3/2005-DD II dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Insurance funds setup and managed by army, navy or air force of the Union of India;
- s) Multilateral and bilateral development financial institution;
- t) Eligible QFIs;
- u) Insurance funds setup and managed by army, navy or air force of the Union of India;
- v) Insurance funds set up and managed by the Department of Posts, India;
- w) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.



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In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- x) Scientific and/or industrial research organizations in India, which are authorised to invest in equity shares; and
- y) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER, PROMOTERS, PROMOTER GROUP AND PERSONS RELATED TO PROMOTERS/PROMOTER GROUP

The LM shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the LM may subscribe to or purchase Equity Shares in the Issue, either in the QIB Portion or in Non Institutional Portion as may be applicable to such Applicants. Such Applying and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the LM or any associates of the LM, except Mutual Funds sponsored by entities which are associates of the LM or insurance companies promoted by entities which are associate of LM or AIFs sponsored by the entities which are associate of the LM or FPIs (other than individuals, corporate bodies and family offices), sponsored by the entities which are associates of the LM nor; (ii) any “person related to the Promoters and members of the Promoter Group” shall apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoters and members of the Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoters and members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).

The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

For applications where the proportionate allotment works out to less than 3,000 Equity shares the allotment will be made as follows:

Each successful applicant shall be allotted 3,000 Equity Shares; and

The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.



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If the proportionate allotment to an applicant works out to a number that is not a multiple of 3,000 Equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 3,000 Equity shares subject to a minimum allotment of 3,000 Equity shares.

If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 3,000 Equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.

The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:

As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

The balance net offer of shares to the public shall be made available for allotment to Individual applicants other than retails individual investors and Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.

The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with Stock Exchange. The Executive Director / Managing Director of Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

APPLICATION BY MUTUAL FUNDS

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company in consultation with Lead Manager, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with the SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that such Applications clearly indicate the scheme concerned for which the Application is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

**APPLICATION by HUFs**

Applications by HUFs Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Applications by HUFs may be considered at par with Applications from individuals.

APPLICATION BY ELIGIBLE NRIs

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of RIs using the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of RIs applying using the UPI Mechanism) to block their Non- Resident Ordinary (“NRO”) accounts for the full Application Amount, at the time of the submission of the Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA regulations. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such Application.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

For details of investment by NRIs, see “*Restrictions in Foreign Ownership of Indian Securities*” on page 249 of this Draft Prospectus. Participation of eligible NRIs shall be subject to NDI Rules.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIs APPLYING ON NON- REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

APPLICATION BY FPI

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA Rules, the total holding by each FPI shall be less than 10% of the total paid-up Equity Share capital of our Company



and the total holdings of all FPIs could be up to 100%, being the sectoral cap, of the paid-up Equity Share capital of our Company on a fully diluted basis.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (blue in colour).

In case 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.

As specified in 4.1.4.2 (b)(i) and 4.1.4.2 (c)(iv) of the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Applications from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations ("MIM Structure"), provided such Applications have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Applications 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 Applications, FPIs making multiple Applications 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 Application Forms that the relevant FPIs making multiple Applications utilize the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Applications are liable to be rejected. Further, in the following cases, the Applications by FPIs will not be considered as multiple Applications: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("ODI") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

With effect from the April 1, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the 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 issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

In addition to the category of Applicants as set forth under "General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue", the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the 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.

Participation of FPIs in the Issue shall be subject to the FEMA Rules.

APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS (VCF) AND FOREIGN VENTURE CAPITAL INVESTORS (FVCI)

The SEBI VCF Regulations, the SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of their investible funds in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of their investible funds by way of subscription to an initial public offering of a venture capital undertaking.

Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

Participation of AIFs, VCFs and FVCIs was subject to the FEMA Rules

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

**APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 (“IRDAI Investment Regulations”) are set forth below:

In addition to the category of Applicants as set forth under “General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- a) Equity shares of a company: the lower of 10%(1) of the investee company’s outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or a reinsurer;
- b) The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) The industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or a reinsurer or health insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of Rs. 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of Rs. 500,000 million or more but less than Rs. 2,500,000 million.*

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (“IRDA Investment Regulations”).

APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 25 Crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATIONS BY BANKING COMPANIES

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company in consultation with the LM, reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the Reserve Bank of India ("Financial Services provided by Banks") Directions, 2016, as amended is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks 'interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (iii) investment in a non- financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves.

APPLICATION BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Applications made by systemically important non-banking financial companies registered with RBI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited consolidated financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), and such other approval as may be required by the Systemically Important NBFCs must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Application, without assigning any reason thereof. Systemically Important Non Banking Financial Companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

APPLICATIONS BY SCSBS

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013 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.

APPLICATION UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of Rs. 250 million (subject to

applicable laws) and pension funds with a minimum corpus of Rs. 250 million (subject to applicable laws), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable, must be lodged along with the Application Form. Failing this, our Company in consultation with the LM, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. Our Company in consultation with the LM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company in consultation with the LM, may deem fit.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure any single Application 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 the Draft Prospectus.

In accordance with RBI regulations, OCBs cannot participate in the Issue.

Information for the Applicants

In addition to the instructions provided to the Applicants in the General Information Document for Investing in Public Issues, Applicants are requested to note the following additional information in relation to the Issue.

1. The Issue Period shall be for a minimum of three Working Days and shall not exceed ten working days. The Issue Period may be extended, if required, by an additional three working days, subject to the total Issue Period not exceeding ten working days.
2. The relevant Designated Intermediary will enter each Application into the electronic bidding system as a separate Application and generate an acknowledgement slip (“**Acknowledgement Slip**”), for each price and demand option and give the same to the Applicant. Therefore, a Applicant can receive up to three Acknowledgement Slips for each Application Form. It is the Applicant’s responsibility to obtain the TRS from the relevant Designated Intermediary. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/ allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When a Applicant revises his or her Application (in case of revision in the Price), he /she shall surrender the earlier Acknowledgement Slip and may request for a revised TRS from the relevant Designated Intermediary as proof of his or her having revised the previous Application.
3. In relation to electronic registration of Applications, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
4. In the event of an upward revision in the Price, Retail Individual Applicants could either (i) revise their Application or (ii) shall make additional payment based on the revised Price (such that the

total amount i.e., original Application Amount plus additional payment does not exceed ₹ 200,000. The revised Applications must be submitted to the same Designated Intermediary to whom the original Application was submitted. If the total amount (i.e., the original Application Amount plus additional payment) exceeds ₹ 200,000, the Applicant will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Applicant does not either revise the Application or make additional payment the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Applicant and the Retail Individual Applicant is deemed to have approved such revised Application.

5. In the event of a downward revision in the Price, Retail Individual Applicant may revise their Application; otherwise, the excess amount paid at the time of Application would be unblocked after Allotment is finalised.
6. Any revision of the Application shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Application.

The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, our Company shall, after registering the Draft Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre- Issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING

- a) Our Company, the Lead Manager and the Market Maker have entered into an Underwriting Agreement on [•].
- b) For terms of the Underwriting Agreement please see chapter titled “General Information” beginning on page 54 of this Draft Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26, Section 28 and all other provision applicable as per Companies Act.

FILING OF THE PROSPECTUS WITH THE ROC

The Company will file a copy of the Prospectus with the RoC in terms of Section 26 and 28 of Companies Act, 2013.

- a) **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.



AVYUKTA DAIRY PRODUCTS LIMITED

- b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.
- c) Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within the time prescribed under applicable law. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

Designated Date: On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 6 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

AVAILABILITY OF THE PROSPECTUS AND THE APPLICATION FORMS:

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

GENERAL INSTRUCTIONS

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Application(s) or lower the size of their Application(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their Application(s) during the Issue Period and withdraw their Application(s) until Issue Closing Date

Do's:

- Check if you are eligible to apply as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals; All Applicants should submit their bids through the ASBA process only;
- Ensure that you have apply within the Price Offer
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that you have mentioned the correct ASBA Account number if you are not an RII bidding using the UPI Mechanism in the Application Form and if you are an RII using the UPI Mechanism ensure that you have mentioned the correct UPI ID in the Application Form;

- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Bids) within the prescribed time. Retail Individual Applicants using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants;
- RILs Applying in the Issue shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for RILs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
- Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries.
- In case of joint Applications, ensure that first applicant is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Application Form;
- Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form;
- Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Applicant is included in the Application Forms. PAN of the First Applicant is required to be specified in case of joint Applications;
- Ensure that you submit the revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- Retail Individual Investors not using the UPI Mechanism, should submit their Application Form directly with SCSBs and not with any other Designated Intermediary;
- Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining / specifying their PAN for transacting in the securities market including without limitation, multilateral/ bilateral institutions, and (iii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- 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;
- Ensure that the correct investor category and the investor status is indicated in the Application Form;

- Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Application by Eligible NRIs for a Amount of less than ₹ 2,00,000 would be considered under the Retail Category for the purposes of allocation and Applications for a Amount exceeding ₹ 2,00,000 would be considered under the Non-Institutional Category for allocation in the Issue
- Since the allotment will be in dematerialised form only, ensure that the Applicant's depository account is active, the correct DP ID, Client ID , PAN and UPI ID, if applicable, are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID , PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
- In case of ASBA Applicants (other than Retail Individual Applicants using UPI Mechanism), ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Applying 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>);
- Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Issue Closing Date;
- Once the Sponsor Bank issues the UPI Mandate Request, the Retail Individual Bidders would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request;
- Ensure that you have correctly signed the authorisation/undertaking box in the 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 Application Amount mentioned in the Application Form at the time of submission of the Application. Bid In case of RIIs submitting their Applications and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Issue Amount and subsequent debit of funds in case of Allotment;
- Ensure that you have correctly signed the authorization / undertaking box in the 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 Application Amount mentioned in the Application Form at the time of submission of the Application;
- Retail Individual Applicants using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a Retail Individual Applicant shall be deemed to have verified the attachment containing the application details of the Retail Individual Applicant in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount specified in the Application Form;
- However, Applications 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;

- FPIs making MIM Applications using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Applications are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Applications shall be rejected;
- Retail Individual Applicants using the UPI Mechanism who have revised their Applications subsequent to making the initial Application should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of Allotment in a timely manner and
- Ensure that the Demographic Details are updated, true and correct in all respects

The Application Form were liable to be rejected if the above instructions, as applicable, were not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 were liable to be rejected.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not submit a Application using UPI ID, if you are not a RII;
- Do not Apply for a Amount exceeding Rs. 2,00,000 (for Applications by Retail Individual Applicants).
- Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not Apply at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not submit the Applications for an amount more than funds available in your ASBA account.
- Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- In case of ASBA Applicants, do not submit more than one ASBA Forms per ASBA Account;
- If you are a Retail Individual Applicant and are using UPI Mechanism, do not submit more than one Application Form for each UPI ID;
- If you are a Retail Individual Applicant and are using UPI Mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;



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- Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
- Do not Apply on a Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the General Index Register (GIR) number instead of the PAN;
- Do not submit incorrect details of the DP ID, Client ID PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit a Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not Apply 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);
- Do not submit a Application/revise a Issue Amount, with a price less than the Issue Price;
- Do not submit your Apply after 3.00 pm on the Issue Closing Date;
- If you are a QIB, do not submit your Application after 3:00 pm on the QIB Issue Closing Date;
- Do not fill up the Application Form such that the Equity Shares Application for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Prospectus;
- Do not Apply for shares more than specified by respective Stock Exchanges for each category;
- Do not Apply, if you are an OCB;
- 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 Applications submitted by RIIs using the UPI Mechanism;
- Do not Apply on another Application Form after you have submitted a Application to any of the Designated Intermediaries; and
- Do not submit Applications to a Designated Intermediary at a location other than Specified Locations. If you are a Retail Individual Applicant and are using UPI Mechanism, do not submit the ASBA Form directly with SCSBs.;

The 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 can reach out to our Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see “General Information” on page 54 on this Draft Prospectus

For helpline details of the LM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “General Information - Lead Manager” on page 54 on this Draft Prospectus

GROUND FOR TECHNICAL REJECTIONS

In addition to the grounds for rejection of Application on technical grounds as provided in the “General Information Document for Investing in Public Offers” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

- (a) Applications submitted without instruction to the SCSBs to block the entire Application Amount;
- (b) Applications submitted by Applicants which do not contain details of the Application Amount and the bank account details / UPI ID in the Application Form;
- (c) Applications submitted on a plain paper;
- (d) Applications submitted by Retail Individual Applicants using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
- (e) Applications under the UPI linked Mechanism submitted by Retail Individual Applicants using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
- (f) Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
- (g) Application submitted without the signature of the First Applicant or sole Applicants;
- (h) The ASBA Form not being signed by the account holders, if the account holder is different from the Applicant;
- (i) ASBA Form by the RIIs by using third party bank accounts or using third party linked bank account UPI IDs;
- (j) Applications by person 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;
- (k) GIR number furnished instead of PAN;
- (l) Application by Retail Individual Applicants with Application Amount for a value of more than Rs. 200,000
- (m) Applications by person who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
- (n) Applications by Applicants accompanied by cheques, demand drafts, stock invest, money order, postal order or cash;
- (o) Applications uploaded by QIBs after 4.00 p.m. on the QIB Issue Closing Date and by Non-Institutional Applicants uploaded after 4.00 p.m. on the Issue Closing Date, and Applications by Retail Individual Applicants uploaded after 5.00 p.m. on the Issue Closing Date, unless extended by the Stock Exchanges; and
- (p) Application by OCB.



ISSUANCE OF A CONFIRMATION OF ALLOCATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE

- (a) Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
- (b) The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

In addition to the instructions for completing the Application Form provided in the sub-section "General Information Document for Investing in Public Offers - Applying in the Issue - Instructions for filing the Application Form / Application Form" Applicants are requested to note the additional instructions provided below.

Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Applications must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).

Applications must be made in a single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Draft Prospectus and in the Application Form.

Applications on a repatriation basis shall be in the names of FIIs or FPIs but not in the names of minors, OCBs, firms or partnerships and foreign nationals.

DESIGNATED DATE AND ALLOTMENT

- a. Our Company will ensure that the Allotment and credit to the successful Applicants' depository account will be completed within six Working Days, or such period as may be prescribed by SEBI, of the Issue Closing Date or such other period as may be prescribed.
- b. Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the allottees.
- c. Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER

The authorised employees of the Designated Stock Exchange, along with the LM and the Registrar to the Issue, 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 through the Offer Document except in case of over-subscription for the purpose of rounding off to make allotment, in consultation with



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the Designated Stock Exchange. Further, upon over-subscription, an allotment of not more than one per cent of the Issue may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Applicants shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Applicants shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Applicants portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

“Any person who:

- a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) *Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

UNDERTAKING BY OUR COMPANY

Our Company undertakes the following:

- a. If our Company does not proceed with the Issue after the Issue Closing Date but before allotment, then the reason thereof shall be given as a public notice within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- b. That the complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily;
- c. That 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 are taken within six Working Days of the Issue Closing Date or such other period as may be prescribed;
- d. If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within the time prescribed under applicable law or such lesser time as specified by SEBI, failing

which interest will be due to be paid to the Applicants at the rate of 15.00% per annum for the delayed period;

- e. That 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 the amount and expected date of electronic credit for the refund;
- f. That the Promoters' contribution in full, if applicable, shall be brought in advance before the Issue opens for subscription
- g. That funds required for making refunds to unsuccessful applicants as per mode(s) disclosed shall be made available to the Registrar to the Issue by the Company;
- h. No further Issue of Equity Shares shall be made until the Equity Shares offered through the Draft Prospectus are listed or until the Application monies are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;
- i. That if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the SEBI, in the event our Company subsequently decides to proceed with the Issue;
- j. That our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
- k. That the allotment of securities/refund confirmation to Eligible NRIs shall be dispatched within specified time;
- l. That adequate arrangements shall be made to collect all Application Forms from Applicants; and
- m. That our Company shall not have recourse to the Issue Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges.

UTILIZATION OF NET PROCEEDS

Our Company specifically confirms and declares that:

- a. All monies received out of the Issue of specified securities to public shall be credited/ transferred to separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- b. Details of all monies utilized out of the Issue referred to in sub-item(i) shall be disclosed and continue to be disclosed till the time any part of the Fresh Issue proceeds remains un-utilised under an appropriate separate 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 the appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

**APPLICANTS'S DEPOSITORY ACCOUNT AND BANK DETAILS**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF APPLICATION FORM

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- c. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
- d. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four)

working days of the Issue Closing Date, would be ensured; and

- e. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

MAXIMUM AND MINIMUM APPLICATION SIZE

The applications in this Issue, being a fixed price issue, will be categorized into two;

a) For Retail Individual Applicants

The Application must be for a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000.

b) For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of 3,000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Prospectus.

The above information is given for the benefit of the Applicants. The Company and the LMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

UNBLOCKING OF ASBA ACCOUNT

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40 (3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case maybe.

OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit to Equity Shares the beneficiary account with DPs, and dispatch the allotment Advise within 6 Working Days of the Issue Closing Date.

NON-RECEIPT OF LISTING PERMISSION

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Draft Prospectus. The designated Stock Exchange may be as disclosed in the Draft Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Draft Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Draft Prospectus, the Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary bidders.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate as disclosed in the Draft Prospectus.



MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of proposed Allottees to whom Equity Shares may be allotted shall not be less than 50 (Fifty), failing which the entire application monies may be refunded forthwith.

MODE OF MAKING REFUND FOR ASBA APPLICANTS

In case of ASBA Application, the registrar of the issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen percent per annum if the allotment letters or refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the issue. However applications received after the closure of issue in fulfilment of underwriting closure of the issue. However applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

PAYMENT BY STOCK INVEST

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

JOINT APPLICATIONS IN THE CASE OF INDIVIDUALS

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the Income Tax Act, 1961. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registration ("GIR") number instead of the PAN, as the Application is liable to be rejected on this ground.

Our Company/ Registrar to the Issue/ Lead Manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.



EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- i. a tripartite agreement dated August 12, 2021 with NSDL, our Company and Registrar to the Issue;
- ii. a tripartite agreement dated July 22, 2021 with CDSL (Digitally signed on 22nd July, 2021), our Company and Registrar to the Issue;

The Company's shares bear an ISIN: INE0IBJ01012.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DIPP, has issued consolidated FDI Policy Circular of 2017 ("FDI Policy 2017"), with effect from August 28, 2017, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include:

(i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that:

(a) the requisite approval of the Government has been obtained; and
(b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.;

ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time;

(iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that:

(a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionality's (such as minimum capitalization, etc.), reporting requirements, documentation etc.;
(b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank; and

(iv) where the investee company is in the financial sector provided that:

- (a) Any fit and proper/due diligence requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and
- (b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriter and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

Investment by FPIs under Portfolio Investment Scheme (PIS)

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017.



The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations - Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis - will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Draft Prospectus Directive except for any such offer made under exemptions available under the Draft Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a Draft prospectus pursuant to the Draft Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Draft Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION IX - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

**THE COMPANIES ACT, 2013
ARTICLES OF ASSOCIATION
OF
AVYUKTA DAIRY PRODUCTS LIMITED
(COMPANY LIMITED BY SHARES)**

The following regulations comprised in these Articles of Association were adopted pursuant to the Special Resolution passed by the Members of the Company at the Annual General Meeting of the Company held on 15th July, 2021 in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Association of the Company.

PRELIMINARY

1. Table F not to apply The regulations contained in Table 'F' in the 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 and the Rules made thereunder. The Company shall be governed by these Articles.

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.

INTERPRETATION CLAUSE

2. Save as reproduced herein the regulation contained in Table "A" in the Schedule to the Act shall not apply to the Company:
 - a. Meanings: "The ACT" means the Companies Act, 2013.
 - b. "These Articles" means these Articles of Association or as may from time to time altered by Special Resolution.
 - c. "The Company" means "AVYUKTA DAIRY PRODUCTS LIMITED."
 - d. "The Directors" means the Directors for the time being of the Company.
 - e. "The Independent Director" means the "Independent Director" that shall have the meaning ascribed to it in the Act.
 - f. "The Board of Directors" or "The Board" means the Board of Directors for the time being of the Company.
 - g. "The Chairperson" includes Chairman.
 - h. "The Depository" means Depository as defined in the Act.
 - i. "The Managing Director", "Wholtime Director" and "the Deputy Managing Director" respectively means the Managing Director, Whole time Director and the Deputy Managing Director respectively, appointed as such for the time being of the Company.
 - j. "The Secretary" means any person appointed to perform the duties of the Secretary under the Act.
 - k. "The Key Managerial Personnel" means the Chief Executive Officer or the Managing Director or the Manager; the Company Secretary; the Whole-time Director; the Chief Financial Officer and such other officer as may be notified from time to time in the Act or Rules.
 - l. "The Body Corporate" or "Corporation" includes a company incorporated outside India but does not include, (1) a Cooperative Society registered under any law relating to Co-operative Societies, (2)

any other body corporate which the Central Government may by notification in the Official Gazette specify in that behalf.

- m. "The Office" means the Registered Office and the Corporate Office for the time being of the Company.
- n. "The Register" means the Register of Members to be kept pursuant to Section 88 of the Act.
- o. "The Shareholders" or "Members" means the duly registered holder from time to time of the shares of the Company, and shall include beneficial owners whose names are entered as a beneficial owner in the records of a depository.
- p. "The Registrar" means the Registrar of Companies.
- q. "The Dividend" includes interim dividend.
- r. "The Month" means calendar month.
- s. "The Seal" means the Common Seal of the Company.
- t. "The Proxy" includes Attorney duly constituted under Power of Attorney.
- u. "The Tribunal" includes the National Company Law Tribunal or "NCLT".
- v. "In Writing" and "Written" include printing, lithography and other modes of representing or reproducing words in a visible form

INTERPRETATION

3. In these Articles, unless the context otherwise requires:

a) headings are for convenience only and do not affect the interpretation of these Articles;

b) words importing the singular include the plural and vice versa;

(c) any reference to an Annex, Article, party, Schedule or Article is a reference to that Article or Article of, or that Annex, party or Schedule to, these Articles or the Transaction Documents;

SHARE CAPITAL AND VARIATION OF RIGHTS

4. Authorised Share Capital

The Authorized Share Capital of the Company shall be as prescribed in Clause V of the Memorandum of Association of the Company.

5. Shares at the disposal of Directors

The shares of the Company shall be under the control of the Directors who may allot or otherwise dispose of the same or any of them to such persons, in such proportions and on such terms and conditions at par, at premium or at discount, subject to the provisions of Section 53 and Section 54 of the Act and the articles, as they may from time to time think proper.

6. Allotment of Securities by Company

As regards all allotments made from time to time, the Company shall duly comply with Section 39 of the Act.

7. Further issue of capital

If the Company proposes to increase its subscribed capital by issue of further shares:-

- (i) it shall comply with the provisions of Section 62 of the Act;

- (ii) If and whenever, as the result of issue of new shares or any consolidation or subdivision of shares, any shares held by members arises in fractions, the Directors shall subject to the provisions of the Act and the Articles and to the directions of the Company in general meeting, if any, sell those shares which members holding fractions for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorize any person to transfer the shares sold to the purchaser thereof comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

8. Issue of Securities

- (i) The Company shall have power to issue Securities at a premium and shall duly comply with the provision of Sections 52 of the said Act.
- (ii) Company shall not issue shares at a discount under section 53 of the Companies Act 2013, except as provided in Section 54, a company may issue sweat equity shares of a class of shares already issued.

9. Installments on shares to be duly paid

If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being shall be the registered holder of such share or by his executor or administrator.

10. Buy Back of Shares

The Board of Directors may, when and if thought fit, buy back such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals or consents as may be laid down for the purpose, whether or not there is any consequent reduction of capital. If and to the extent permitted by Law, the Company shall also have the power to re-issue the shares so bought back.

TRANSFER AND TRANSMISSION OF SHARES

11. Instrument of Transfer and Register of Transfer

No transfer shall be registered unless a proper instrument of transfer has been delivered to the Company. Every instrument of transfer (which shall be in the form specified in the Rules) shall be duly stamped, dated and shall be executed by or on behalf of the transferor and the transferee and in the case of a share held by two or more holders or to be transferred to the joint names of two or more transferees by all such joint-holders or by all such joint transferees, as the case may be, several executors or administrators of a deceased member proposing to transfer the shares registered in the name of such deceased member shall all sign the instrument of transfer in respect of the share as if they were the joint-holders of the share. The instrument of transfer shall specify the name, address and occupation, if any, of the transferee.

12. Death of one or more joint holders

In the case of the death of any one or more of the persons named in the Register as the joint-holders of any share, the survivor or survivors shall be the only persons recognized by the Company as having

any title to or interest in such share, but nothing here in contained shall be taken to release the estate of the deceased joint- holder from any liability on the shares held by him jointly with any other person.

13. Title of share of deceased member

(i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Where there is no, nominee the executors or administrators of a deceased member not being one of several joint-holders shall be the only persons recognized by the Company as having any title to the shares registered in the name of such deceased member, and the Company shall not be bound to recognize such executors or administrators, unless they shall have first obtained probate or letters of administration or other legal representation, as the case may be, provided nevertheless, the Directors, in any case where they in their absolute discretion think fit, may dispense with the production of Probate or Letters of Administration or such other legal representation, upon such terms as to indemnity or otherwise as they may deem fit and under the next Article, register the name of any person who claims to be absolutely entitled to the shares standing in the name of the deceased member as a member in respect of such shares.

14. Board's right of refusal to register transfers

Subject to the provisions of these Articles, the Directors may at any time in their absolute and uncontrolled discretion and without assigning any reason whatsoever, decline or acknowledge any proposed transfer of shares and their power or discretion to refuse such transfer shall not be affected by the fact that the proposed transferee is already a registered member of the Company.

Nothing contained in Section 56 of the Act shall prejudice this power to refuse to register the transfer of or the transmission by operation of law of the right to, any shares or interest of a member in or debentures of the Company. The registration of a transfer shall be conclusive evidence of the approval by the Board of the transferee, but so far only as regards the share or shares in respect of which the transfer is so registered and not further or otherwise and not so as to debar the Board to refuse registration of any further shares applied for. If the Board refuses to register the transfer or transmission of any shares notice of the refusal shall within two months from the date on which the instrument of transfer on intimation of transmission was delivered to the Company be sent to the Transferee and the Transferor or to the person giving intimation of the transmission, as the case maybe.

Without prejudice to the generality of the aforesaid power, the Directors may in particular so decline in any case in which the Company has a lien upon the shares (or any of them) or whilst any shareholder executing the transfer is ethereal one or jointly with any person or persons indebted to the Company on any account whatsoever, or whilst any moneys in respect of the shares desired to be transferred (or any of them) remain unpaid or unless the transferee is approved by the Board. The registration of the Transfer shall be conclusive evidence of the approval of the transferee by the Board.

15. Transferor to remain holder of shares till transfer registered

The Transferor shall be deemed to remain the holder of the shares until the name of the transferee be entered in the Register of Members.

16. Registered instrument of transfer to remain with the Company

Every instrument of transfer which shall be registered shall remain in the custody of the Company. If the transfer relates to the only share or all the shares comprised in the certificate, such certificate or a new certificate in lieu thereof shall, after the registration of the transfer, be delivered to the transferee and if the transfer relates only to a part of the shares comprised in the certificate, the same shall, on registration of the transfer be retained by the Directors and cancelled and new certificates will be issued to the transferor and the transferee in respect of the shares respectively, held by them.

17. The Company not liable for disregard of any notice prohibiting registration of a transfer

The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made, by an apparent legal owner thereof (as shown or appearing in the Register of Members, to the prejudice of any person or persons having or claiming any equitable right, title or interest to oriented same shares, notwithstanding the Company may have had notice of such equitable right title or interest or prohibiting registration of such transfer and may have entered such notice or referred the retaining book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company but the Company shall never the less beat liberty to regard and attend to any such notice and give effect there to, if the Directors shall so think fit.

INCREASE OF SHARE CAPITAL**18. Power to increase Capital**

The Company in general meeting may, from time to time alter the conditions of its Memorandum of Association to increase the capital by the creation of new shares of such amount as may be deemed expedient.

19. On What Conditions New Shares May Be Issued

Subject to any special rights or privileges for the time being attached to any shares in the capital of the Company the issued, the new shares may be issued upon such terms and conditions, and with such rights and privileges attached there to as the Resolution resolving up on the creation there of, shall direct, and, if no direction be given, as the Board shall determine, and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company.

20. Provision Relating to the Issue

Before the issue of any new shares, the Company in general meeting may make provisions as to the allotment and issue of the new shares, and in particular may determine to whom the same shall be offered in the first instance and whether at pro rata premium or, subject to the provisions of Section 53 and 54 of the Act at a discount, in default of any such provisions, or so far as the same shall not extend, the new shares may be issued in conformity with the provisions of these Articles.

21. How far new shares to rank with shares in the original

Except as otherwise provided by the conditions of issue or by these presents, any capital raised by creation of new shares shall be considered part of the original capital and shall be subject to the



provisions here in contained with reference to payment of calls and installments, transfer and transmission for future, lien, voting rights and otherwise.

22. Inequality In Number Of New Shares

If, owing to any in equality in the number of new shares to be issued, and the number of shares held by members entitled to have the offer of such new shares, any difficulty shall arise in the apportionment of such new shares or any of them amongst the members, such difficulty shall, in the absence of any direction in there solution creating the shares or by the Company in general meeting, be determined by the Board.

23. Increase of Capital by the Directors and how carried into effect

The Directors may from time to time without any sanction of the Company, whenever all the shares in the issued capital shall not have been subscribed and whether all the shares for the time being subscribed shall have been fully called up or not, issue further shares of such value as they may think fit out of the unsubscribed balance of the issued capital. Such further shares shall be issued upon such terms and conditions (and 'if preference shares upon such conditions as to redemption) and with such rights and privileges annexed there to as the Board shall direct and in particular, such shares may be issued with a preferential or qualified right to dividend and in the distribution of assets of the Company and subject to the provisions of Section 47 of the said Act with a special or without any right of voting and the Board may dispose of such shares or any of them either at par or at a premium, to any members or any class there of or in such other manner as the Board may think most beneficial to the Company.

24. Directors may allot shares for consideration other than cash

Subject to provision of these Articles, the Board may issue and allot shares in the Share Capital as pay met or part payment for any property sold or transferred, goods or machinery supplied or for service rendered to the Company in or about the conduct of the company's business and shares to be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid up shares.

GENERAL MEETINGS

25. When Annual General Meetings to be Held

The Company shall, in addition to any other meetings which are here in after referred to as "Extraordinary General Meeting" hold a General Meeting which shall be styled its Annual General Meeting at the intervals and in accordance with the provisions of the Act

26. When General and Extra-Ordinary General Meeting To Be Called

The Board may, whenever it thinks fit, call a General Meeting, and it shall, on the requisition of such number of members as hold, at the date of the deposit of the requisition, not less than one tenth of such of the paid up capital of Company as at meeting, forthwith proceed to call an Extra-Ordinary General Meeting, and in the case of such requisition the provisions shall apply:-

- i. The requisition shall state the matters for the consideration of which the meeting to be called, shall be signed by requisition its and shall be deposited at the Office. The requisition may consist of several documents I like form each signed by one or more requisition.
- ii. Where two or more distinct matters are specified in the requisition, the requisition shall be valid only in the respect of those matters in regard to which the requisition has been signed

by the members hereinbefore specified.

- iii. If the Board does not within twenty one days from the date of deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of these matters, on a day not later than forty-five days from the date of deposit, there requisitionists or such of the mas are enable so to do by virtue of section100 of the Act may themselves call the meeting But any meeting so called shall not be commenced after three months from the date of deposit.
- iv. Where two or more persons held any shares jointly a requisition or notice calling a meeting signed by one or some of them shall for the purpose of this Article have the same force and effect as if it had been signed by all of them.
- v. Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisition is ts by the Company and any sums or paid shall be retained by the Company out of the amount payable by way of fees or other remuneration for their services to such of the Directors as are in default

PROCEEDINGS AT GENERAL MEETINGS

27. Business of Meetings

The Ordinary business of an Annual General Meeting shall be to receive and consider the Statement of Profit and Loss, the Balance Sheet and the Reports of the Directors and of the Auditors, to elect Directors in the place of those retiring by rotation, to declare dividends and to appoint Auditors and fix their remuneration. All other business transacted at an Annual General Meeting and all business transacted at any other general meeting shall be deemed special business

28. Quorum to Be Present When Business Commence

(1) 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.

(2) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section103.

29. Resolution to be passed by Company in General Meeting

Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in general meeting shall be sufficiently so done or passed if effected by an Ordinary Resolution as defined in Section 114(1) of the Act unless either the Act or these Articles specifically require such act to be done or resolution passed by a Special Resolution as defined in Section 114 (2) of the Act

30. When if quorum not present, meeting to be dissolved and when to be adjourned

If within half-an-hour from the time appointed for the meeting a quorum be not present, the meeting, if convened up on such requisition as a foresaid, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week, at the same time and place ,or to such other day and at such time and place as the Board may by notice appoint and if at such adjourned meeting a quorum be not present within half-an-hour from the time appointed for the meeting those members

who are present and not being less than two shall be quorum and may transact the business for which the meeting was called.

31. How Questions to be Decided at Meetings

Every question submitted to a meeting shall be decided on the basis of the votes cast both by electronic means (e-voting) and poll conducted through ballot at the venue of the meeting on the basis of their part of the Scrutinizer, appointed by the Board from time to time and in the case of an equality of votes, the Chairman of the meeting shall have a casting vote in addition to the vote to which he may be entitled as a member.

32. Chairperson of General Meeting

The Board may from time to time appoint any Director to be the Chairperson on of the Board who shall also act as the Chairperson of every General Meeting. The Chairperson of the Board shall be subject to the same provisions as to resignation and removal as the other Directors, and heip so facto, and immediately ceases to be the Chairperson if he ceases to hold the office of Director for any cause

33. Power to Adjourn General Meeting

1) The Chairperson of a General Meeting may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than business left unfinished at the meeting from which the adjournment took place. A resolution passed at an adjourned meeting of the Company shall be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

2) When a meeting is adjourned for thirty day so more, notice of the adjourned meeting shall be given as in the case of an original meeting.

3) Save as aforesaid, and as provided in section 103 of the Act, when a meeting is adjourned it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

34. Minutes of proceedings of Meetings

The Company shall cause minutes of all proceedings of General Meetings of any class of shareholders or creditors, and every resolution passed by postal ballot or electronic means and of all proceedings at meetings of its Board of Directors or of committees of the Board, to be entered in books kept for the purpose. Any such minute, if purporting to be Signed by the Chairperson of the meeting at which the proceedings took place or by the Chairperson of the next succeeding meeting, shall be evidence of the proceedings carried on at the meeting

35. Votes of Members

(1) A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once. Every member present in person and every person present either as a general Proxy on behalf of a holder of Equity Share or as a duly authorized representative of a body corporate being a holder of Equity shares, if he is not entitled to vote in his own right, can vote by means of ballot.



(2) On a poll the voting rights of a holder of any Equity share shall be as specified in section 47 of the Act.

(3) No company or body corporate being a member of the Company shall vote by proxy so long as a resolution of its Board of Directors under the provisions of section 113 of the Act is in force or a power of attorney authorizing the representative and the representative named in such resolution or power of attorney is present at the general meeting at which the vote by proxy is tendered.

36. Votes In Respect Of Deceased, Insane and Insolvent Member

If any member be of an unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, idiot or non-composment is he may vote whether on a show of hands or on a poll by his committee, curator bonis or other legal curator and such last mentioned person may give his vote by proxy provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting as the case may be at which any person proposed to vote he shall satisfy the Board of his right under the Transmission article to the shares in respect of which he proposes to exercise his right under this Articles, unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

BOARD OF DIRECTORS

37. Appointment of Directors

A Person shall be eligible to be appointed as Director,
if that person—

(i) has been allotted with the Director Identification Number(DIN) or such other number as may be prescribed under Section 153 of the Act;

(ii) furnishes the Director Identification Number or such other number along with a declaration that he/she is not disqualified to become a Director under the Act;

(iii) Gives his/her consent to hold the office as Director, if appointed.

A person shall not be eligible for appointment or reappointment as Director of the Company, if he possesses any of the disqualifications prescribed under Section 164 of the Act at the time of proposal of his/her appointment/reappointment. Save as otherwise provided in the Act, every Director shall be appointed by the Company in General Meeting.

38. Composition of Board of Directors

There shall be at least minimum of three (3) Directors and maximum of fifteen (15) Directors. At least one-third of the Board shall comprise of Independent Directors, who fulfill the criteria mentioned under Section 149 of the Act and at least One Woman Director shall be in the Board as provided under the said Section.

39. Power of Board to add to its Number

The Directors shall have power at anytime and from time to time to appoint any other person as Director as an addition to the Board so that total number of Directors, shall not at anytime, exceed the maximum number fixed by this Article, and any person so appointed as an Additional Director shall retain his office only until the next Annual General Meeting, where he/she shall be appointed by the shareholders under Section 152 of the Act.



40. Share Qualifications of Directors

No qualification share shall be required for Directors.

41. Appointment of Directors to be Voted Individually

Save as permitted by Section 162 of the Act, every resolution of a general meeting for the appointment of a Director shall relate to one person only.

42. Director's in Office at the date of adoption of this

The Directors of the Company are named as below:

1. ANJANI MITTAL
2. RAO LAXMAN MITTAL
3. SURESH KUMAR GOSWAMI
4. SARLA DUHAN

43. Director's Fee, Remuneration and Expenses

(1) Every Director shall be paid out of the funds of the Company such sum as the Directors may from time to time determine for attending every meeting of the Board or any committee of the Board, subject to the ceiling prescribed under the Act.

(2) The reasonable costs incurred by each Director who is not an employee of the Company in attending a meeting of the Board or a Committee or a General Meeting shall be reimbursed by the Company.

44. Vacation of office of Directors

The office of a Director shall become vacant, if he/she is disqualified under any of the grounds or circumstances prescribed under Section 164 of the Act read with Section 167 of the Act.

45. Resignation of Directors

Subject to the provisions of Section 168 of the Act, a Director may at any time resign from his office upon giving notice in writing to the Company of his intention to do so, and there upon his office shall be deemed to be vacated from the date of receipt of the letter of resignation by the Company or from the date mentioned by the Director in the letter of resignation whichever is later.

46. Board May Act Notwithstanding Vacancy

The continuing Directors may act notwithstanding any vacancy in their body, but if the number falls below the minimum number as mentioned in this Article or the Act, the Board shall not, except for the purpose of filling vacancies, act so long as the number is below the minimum.

47. Appointment to Office or Place of Profit

Any Director or other person referred to in Section 188 of the Act may be appointed to or hold any office or place of profit under the company or under any subsidiary of the Company in accordance with the provisions of the said Section and of the Act.

48. When a Director of this Company is appointed as Director of a Company in which the Company is interested either as a Member or Otherwise

A Director of this Company may be or become a Director of any other company promoted by this Company or in which it may be interested as a member, shareholder or otherwise and no such Director shall be accountable for any benefits received as a Director or member of such Company.

49. Conditions under which Directors may contract with Company

Subject to the provisions of Section 184 and 188 of the Act, a Director shall be capable of contracting and participating in the profits of any contract with the Company and shall be directly or indirectly concerned or interested in any contract or arrangement entered into by or on behalf of the Company in the same manner as if he was not a Director.

50. Disclosure of Concern or Interest of Directors

Every Director who is in anyway, whether directly or indirectly, concerned or interested in a contract or arrangement, entered into or to be entered into, by or on behalf of the Company not being a contract or arrangement entered into or to be entered into between the Company and any other company where any of the Directors of the Company or two or more of them together holds or hold not more than two percent, of the paid-up share capital in the other company shall disclose the nature of his concern or interest at a meeting of the Board as required by Section 184 of the Act. A general notice, renewable in the last month of each financial year of the Company, that a Director is a Director or a member of any specified body corporate or is a member of any specified firm and is to be regarded as concerned or interested in any subsequent contractor arrangement with that body corporate or firm shall be sufficient disclosure of concern or interest in relation to any contract or arrangement so made and, after such general notice, it shall not be necessary to give special notice relating to any particular contract or arrangement with such body corporate or firm, provided such general notice is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought and read at the first meeting of the Board after it is given. Every Director shall be bound to give and from time to time renew a general notice as aforesaid in respect of all bodies corporate of which he is a Director or member and of all firms of which he is a partner.

51. Discussion and Voting by an Interested Director

No Director shall, take any part in the discussion of, or vote on any contract or arrangement in which he is in anyway, whether directly or indirectly concerned or interested, nor shall his presence be counted for the purpose of forming a quorum at the time of such discussion or vote.

This prohibition shall not apply to -

- (a) any contract of indemnity against any loss which the Directors or any of them may suffer by reason of becoming or being sureties or a surety for the Company; or
- (b) any contract or arrangement entered into or to be entered into by the Company with a public company or with a private company which is a subsidiary of a public company, in which the interest of the Director consists solely in his being a Director of such company and the holder or shares not exceeding in number or value the amount requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the

Company or in his being a member of the Company holding not more than two percent of the paid-up share capital of the Company.

52. Removal of Director

The Company may, subject to the provisions of Section 16 a of the Act, by ordinary resolution after giving reasonable opportunity of being heard and maker giving special notice, remove any Director (not being a Director appointed by the Tribunal under Section 242 of the Act)before the expiration of his period of office and may by ordinary resolution of which special notice has been given, appoint another person in his stead, if the Director so removed was appointed by the Company in general meeting or by the Board under these Articles. The person so appointed shall hold Office until the date up to which his predecessor would have held office if he had not been so removed. If the vacancy, created by the removal of a Director under the provisions of this Article or the Act, is not so filled at the meeting at which he is removed, the Board may at any time there after fill such vacancy under the provisions of these Articles.

Provided that an Independent Director re-appointed for second term under Sub- Section 10 of Section 149 of the Act can be removed by the Company only bypassing a Special Resolution and after giving reasonable opportunity of being heard

53. Board May Fill Up Casual Vacancies

Subject to the provisions of Section 161 of the Act and these Articles, Board shall have the power at any time and from time to time, to appoint any qualified person to be a Director to fill a casual vacancy created due to vacation of office by any Director. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

54. Notice of Candidature for Office of Director

No person, not being a retiring Director, shall be eligible for appointment to the office of Director at any general meeting unless he or some member in tending to propose him has, not less than fourteen days, before the meeting left at the Registered Office, a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for the office of Director, as the case may be.

55. Appointment of Alternate Director

Subject to Section 161 of the Act and these Articles, the Board of Directors of the company may appoint an Alternate Director to act for a Director during his absence for a period of not less than three months from India, who shall not hold office for a period longer than that permissible to the Director in whose place he/ she has been appointed and shall vacate the office as soon as the Director returns to India.

Provided that no person shall be appointed as an Alternate Director for an Independent Director, unless she is qualified to be appointed as an Independent Director under the Act.

PROCEEDINGS OF BOARD OF DIRECTORS**56. Meetings of Board**

The Board shall meet together at least once in one hundred and twenty days and may adjourn and otherwise regulate its meeting and proceedings as it thinks fit, provided that

at least four such meetings shall be held in every year. The Directors may be either by physical presence or through video conferencing or other audio visual means, as may be prescribed, except for such matters that may be prescribed by the Central Government through notification, provided that where there is quorum in a meeting through physical presence of Directors, any other Director may participate through videoconferencing or other audio visual means in such meeting on any matter specified under the first proviso not less than Seven days notice in writing of every meeting of the Board shall be given to every Director at his address registered with the Company by hand delivery or by post or by electronic means. A meeting of the Board may be called at shorter notice to transact urgent business matters subject to the condition that at least One Independent Director shall be present at the meeting. If any Independent Director is not present at a meeting called at a shorter notice, decisions at the said meeting shall be circulated to all Directors and shall be final only on ratification thereof by one Independent Director.

57. Director may Call Meeting

A Director may, at any time, and the Secretary shall, upon the request of a Director made at any time convene a meeting of the Board

58. Quorum

Subject to provisions of Section 174 of the Act, the quorum for a meeting of the Board shall be one-third of the total strength or two Directors, whichever is higher and the participation of the Directors by video conferencing or by other audio visual means shall also be counted for the Quorum for the purpose of Section 174 of the Act. The Quorum shall be determined from time to time in accordance with the provision so Section 174 of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board, it shall be adjourned until same day, time and place in the next week or such other day, time and place as the Chairman of the Board shall appoint and if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place

59. Power of Quorum

A meeting of the Board at which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles or the Act for the time being vested in or exercisable by the Board

60. How Questions to be Decided

The questions arising at any meeting shall be decided by a majority of votes, and in case of an equality of votes, the Chairperson shall have as econdor casting vote.

61. Power to constitute Committee and to Delegate Powers

The Board may, subject to the provisions of the Act, from time to time and at any time constitute various committees of Board members as required under the Act, Rules and Regulations and applicable on the Company. The Board may also constitute other committees and delegate any of its powers to such committees, as it thinks fit, and may, from time to time, revoke such delegation. Any committees of or med shall, in the exercise of the powers so delegated on firm to any regulations that may from time to time be imposed upon it by the Board

1. A committee may elect a Chairperson of its meetings, unless already appointed by the Board.
2. If no Chairperson is elected or appointed, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

62. Proceedings of Committee

The meetings and proceedings of any such Committee consisting of two more members shall be governed by the provisions here in contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto, and are not superseded by any regulations.

63. When acts of a Director Valid notwithstanding Defective Appointment etc.

Acts done by person as Director shall be valid, notwithstanding that it may afterwards be discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provisions contained in the Act or in these Articles. Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

64. Passing of Resolution of the Board by Circulation

No resolution shall be deemed to have been duly passed by the Board or a committee of the Board by circulation or written consent, unless the resolution has been circulated in draft form, together with the information required to make a fully -informed, good faith decision with respect to such resolution and appropriate documents required to evidence passage of such resolution, if any, to all Directors or to all Directors on the relevant committee at their usual address registered with the Company, and has been approved in writing by a majority of such Directors, as are entitled to vote on their solution.

POWERS OF THE BOARD**65. General Powers of Company vested in the Board**

Subject to the provision of these Articles and Section 179 of the Act, the business of the Company shall be vested in the Board of Directors, who may in addition of the powers and authorities by these presents or otherwise expressly conferred upon them, exercise all or any of such powers and do such acts and things as may be exercised or done by the Company and are not here by or by statute or law expressly directed or done by the Company of any statute or law or any regulation from time to time made by the Company in General Meeting, but subject to nevertheless, to the provisions of any statute or law or any regulation from time to time made by the Company in General Meeting.

66. Power to Borrow

The Board may from time to time, for the purpose of the Company's business raise or borrow or secure the payment of any sum or sums of money in excess of the aggregate of paid up capital of the Company and its free reserves apart from temporary loans, if any, obtained from the Company's bankers as they, in their discretion deem fit and proper.

Any such money may be raised or the payment or repayment thereof may be secure in such manner and upon such terms and conditions in all respects as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds, perpetual or redeemable debentures, stocks of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands, buildings, machinery, plant, goods, or other property and securities of the company or by other means as the Board deems expedient. Condition on Which Money May Be Borrowed

67. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and, in particular, by the issue of bonds, perpetual or redeemable, debentures or debenture-stock, or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being.

MANAGING DIRECTOR, DEPUTY MANAGING DIRECTOR, WHOLE-TIME DIRECTOR OR MANAGER

68. Power to appoint Managing Directors

(1) Subject to the provisions of Section 196, 197 and 203, the Board may from time to time appoint any one or more Directors to be the Managing Director/Whole time Director of the Company on such remuneration and terms and conditions as the Board may think fit, and for affixed term or without any limitation as to the period for which he is to hold such office and from time to time remove or dismiss from office and appoint another in his place.

(3) Subject to the provisions of these Articles, the general management of the business of the Company, subject to the control and supervision of Directors, shall be in the hands of the Managing Director/s/ Wholetime Director/s of the company, if any, who shall have power and authority on behalf of the Company to make all the purchases and sales and to enter into all contracts and to do all such acts, deeds and things which are usually necessary or desirable in the management of the affairs of the Company or in carrying out its objects and for and on behalf of the Company to draw, accept, endorse and negotiate all the cheques, bills of exchange, promissory notes, drafts, Government and other securities as shall be necessary for or carrying on the affairs of the Company and to institute, conduct, defend, compromise, refer to arbitration and abandon legal and other proceedings, claims and disputes in which the company is concerned and to employ in or to appoint for the purpose of Management of the business of the Company and to remove or suspend such administrators, secretaries, managers, experts, engineers, agents, clerks, brokers and other employees as he or they shall think proper and to advance money for purchase of goods, machinery, stores, or any other property, article and things required for the purpose of the Company with or without security.

69. To what provisions he shall be subject

Managing Director (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors and shall ipso facto and immediately cease to be the Managing Director if he ceases to hold the office of Director for any cause.

70. Remuneration of the Managing Director/s and/ or Wholetime Director/s

Subject to the provisions of Section 197 and 198 of the Act read with Schedule V to the Act, Managing Director/Wholetime Director shall, receive such remuneration, from time to time, as may be sanctioned by the Board and the Shareholders, as applicable, by way of salary or commission or participation in profit or perquisites and benefits or by some or all of these modes.

71. Powers of Managing and Deputy Managing Director

Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in Section 179 thereof, the Board may, from time to time, entrust to and confer upon a Managing Director, Deputy Managing Director, Wholetime Director for the time being such of the powers exercisable under these presents by the Board as it may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as it thinks fit, and the Board may confer such powers, either collaterally with, or to the exclusion of, and in substitution for all or any of the powers of the Board in that behalf, and may, from time to time, revoke, withdraw, alter or vary all or any of such powers.

CHIEF EXECUTIVE OFFICER, COMPANY SECRETARY, CHIEF FINANCIAL OFFICER AND KEY MANAGERIAL PERSONNEL**72. Subject to the provisions of the Act,—**

(i) A chief executive officer, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

ii. A director may be appointed as chief executive officer, company secretary or chief financial officer;

iii. The chief executive officer, managing director, whole time director, company secretary, chief financial officer shall also be the whole time Key Managerial Personnel under Section 203 of the Act;

73. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, company secretary or chief financial officer, key managerial personnel shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, company secretary, chief financial officer or key managerial personnel.**74. Powers to Authenticate and sign documents**

Save as otherwise provided in the Act, any Director, Key Managerial Personnel or Secretary or any person appointed by the Board for the purpose, shall have power to authenticate any document or proceeding requiring authentication by the Company or contracts made by or on behalf of the Company or any matter affecting the constitution of the Company and any Resolution passed by the Company or the Board and any books, records, documents, and Accounts relating to the business of the Company and to certify copies thereof or extract there from as true copies or extracts; and whether any books, records, documents or accounts are elsewhere than at the office, the local Manager or



other officer of the Company having the custody thereof shall be deemed to be as person appointed by the Board as aforesaid.

75. Certified copies of resolution of Directors

A document, purporting to be a copy of the resolution of the Board or an extract from the Minutes of a Meeting of the Board which is certified as such, in accordance with the provisions of the last preceding Articles, shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or as the case may be that such extract is a true and accurate record of a duly convened meeting of the Board.

76. Fractional Certificates

For the purpose of giving effect to any resolution under these Articles of the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, any may fix the value for distribution, and may determine that cash payments shall be made to any members in order to adjust the rights of all parties and may vest such cash in trustees upon such trusts for the persons entitled to the dividend or capitalized fund as may seem expedient to the Board. Where required, a proper contract shall be filled in accordance with Section 39 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund, and such appointment shall be effective

DIVIDENDS

77. How profits shall be divisible

Subject to the rights of members entitled to shares (if any) with preferential or special rights attached there to, the profits of the Company which it shall, from time to time determine, to divide in respect of any year or other period shall be applied in the payment of a dividend on the Equity Shares of the Company but so that a partly paid-up share shall only entitle the holder with respect thereof to such proportion of the distribution upon a fully paid up share as the amount paid there of bears to the nominal amount of such share and so that where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not rank for dividends or confer a right to participate in profits.

78. declaration of dividends

The Company in general meeting may declare a dividend, if recommended by the Board, to be paid to the members according to the rights and interest in the profits and may, subject to the provisions of Section 123 to 127 of the Act, fix the time for payment. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

79. Restrictions on amount of dividends

No dividend shall be declared over and above that is recommended by the Board, but the Company in general meeting may declare a smaller or lesser dividend

80. Dividend

No dividend shall be payable except out of the profits of the Company for that year arrived at in accordance with Section 123 of the Act or out of profits of the Company for any previous financial years arrived at in accordance with the aforesaid section of the Act or out of moneys provided by the Central or a State Government for the payment of the dividend in pursuance of any guarantee given by such Government, and no dividend shall carry interest against the Company. However, the Company can pay dividend out of the accumulated profits of previous years and transferred to reserves and surplus, in compliance with the Act and Rules made thereunder.

81. Interim dividends

The Board may, from time to time, pay to the members such interim dividend as appear to the Board to be justified by the profits of the Company.

BOOKS OF ACCOUNTS AND DOCUMENTS**82. Books of Accounts to be kept**

The Board shall cause to be kept in accordance with the Act, proper books of account with respect to:

- i. all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place;
- ii. all sales and purchase of goods and services by the Company
- iii. the Assets and Liabilities of the Company; and
- iv. such particulars relating to utilisation of material or labour or to other items of cost as may be required by the Central Government.

83. Where to be kept

The books of account shall be kept at the Registered Office or at such other place in India as the Board may decide and when the Board so decides, the Company, shall within seven days of the decisions, file with the Registrar a notice in writing giving the full address of that other place. The company may keep such books of account or other relevant papers in electronic mode or in such manner as may be prescribed under the Act.

84. Inspection

(1) The books of account shall be open to inspection during business hours by any Director, Registrar or any officer of Government authorised by the Central Government in this behalf.

(2) The Board shall, from time to time, determine whether and to what extent, and at what times and places and under what conditions or regulations the books of account and books and documents of the Company, other than those restricted under law or any of them, shall be open to the inspection of the members not being Directors and no member (not being a Director) shall have any right of inspecting any books of account or other document of the Company except as conferred by law or authorised by the Board.

85. Books of Account to be preserved

The books of account of the Company together with the vouchers relevant to any entry in such books of account relating to a period of not less than eight years immediately preceding the current year shall be preserved in good order.

86. Balance Sheet and Statement of Profit and Loss

At every Annual General Meeting the Board shall lay before the Company a Balance Sheet and Statement of Profit and Loss made up in accordance with the provisions of Section 129 of the Act and such Balance Sheet and Statement of Profit and Loss shall comply with the requirements of Sections 129 and 134 of the Act and of Schedule III to the Acts of are as they are applicable to the Company but save as aforesaid, the Board shall not be bound to disclose greater details of the result or extent of the trading and transactions of the Company than it may deem expedient.

87. Report of Directors

There shall be attached to every Balance Sheet laid before the Company a report by the Board complying with Section 134 of the Act.

88. Copy of Balance Sheet To Be Sent To Members And Others

A copy of every Balance Sheet, the Statement of Profit and Loss, the Reports of the Board and Audit or/and every document required by law to be annexed or attached to the Balance Sheet shall, as provided by Section 136 of the Act, not less than twenty-one days before the meeting be sent to every such member, debenture-holder, trustee and other person to whom the same is required to be sent by the said Section.

89. Copies of Balance Sheet etc. to be filed

The Company shall comply with Section 137 of the Act as to filing copies of the Balance Sheet and statement of Profit and Loss and documents required to be annexed or attached thereto with the Registrar

AUDIT**90. Account to be audited annually**

Once at least in every year the books of account of the Company shall be examined by one or more Auditor or Auditors.

91. Appointment and Remuneration of Auditors

The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is or they are tiring Auditor or Auditors.

The appointment, remuneration, rights and duties of the Auditor or Auditors shall be regulated by Sections 139 to 148 of the Act.

92. Audit of Accounts of branch office of Company

Where the Company has a branch office the provisions of Section 143 of the Act shall apply.

93. Right of auditor to attend General Meeting.

All notices of, and other communications relating to any General Meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor of the Company; and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.

KEEPING OF REGISTERS AND INSPECTIONS**94. Registers etc. to be maintained by Company**

The Company shall keep and maintain at its Registered Office all statutory registers, other than the Register of Members, which shall be maintained by the Registrar & Transfer Agents, for such duration as the Board may decide unless otherwise prescribed, 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 between 10.30 a.m. to 1.00 p.m. on all business days, at the registered office of the company by the persons entitled thereon on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.

95. Supply of copies of Registers, etc.

The Company shall comply with the provisions of the Act as to the supplying of copies of the Registers, deeds, documents, instruments, returns, certificates and books there in mentioned to the persons there in specified when so required by such persons, on payment of the charges, if any, prescribed by the said Sections

96. Inspection of Registers etc.

Where under any provision of the Act any person, whether a member of the Company or not, is entitled to inspect any register, return, certificate, deed, instrument or document required to Be kept or maintained by the Company, the persons o entitled to inspection shall be permitted to inspect the same during the hours of 10.30 a.m. and 1.30 p.m. on such business days as the Act requires them to be open for inspection.

RECONSTRUCTION**97. Reconstruction**

On any sale of the undertaking of the Company, the Board or the Liquidators on a winding-up may, if authorized by a Special Resolution, accept fully-paid or partly paid-up shares, debentures or securities of any other company, whether incorporated in India or not, or to be formed for the purchase in whole or in part of the property of the Company, and the Board (if the profits of the Company permit) or the Liquidators (in a winding-up) may distribute such shares or securities, or any other property of the Company amongst the members without realization, or vest the same in trustees for them, and any Special Resolution may provide for the distribution or appropriation of the cash, shares, or other securities, benefit or property, otherwise than

in accordance with the strict legal rights of the members or contributories of the Company, and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distributions authorised, and, waive all rights in relation thereto, save only in case the Company is proposed to be or is in the course of being wound-up, such statutory rights (if any) under Section 319 of the Act as are capable of being varied or excluded by these Articles.

WINDING-UP

98. The Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories, or any of them, as the liquidators, with the like action, shall think fit

GENERAL INDEMNITY

99. (1) Every Director, Secretary, Chief Financial Officer, Key Managerial Personnel or other Officers of the Company or any person (whether an officer of the Company or not, employed by the Company and any, person appointed Auditor shall be indemnified out of the funds of the Company against all liability incurred by him as such or Auditor in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or any application under Section 463 of the act in which he is acquitted, or in connection with the act in which relief is granted to him by the Court or Tribunal.

(2) No Director of the Company, Manager, Secretary, Key Managerial Personnel, Chief Financial Officer, Trustee, Auditor and every officer of the Company as defined under section 2(59) of the Act and other officers, shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or servant or for joining in any receipts or other act for the sake of conformity merely or for any loss or expenses happening to the Company through the insufficiency or deficiency in point of title or value of any property acquired by the order of the Directors for or on behalf of the Company or mortgaged to the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, company or corporation to or with whom any moneys, securities or effects of the Company shall be entrusted or deposited or for any loss occasioned by any error of judgment, omission default or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in relation to the execution or performance of the duties of his office or in relation thereto, unless the same happen through his own dishonesty

- (3) An Independent Director, and a non-executive director not being a promoter or a Key Managerial Personnel, shall not be liable in respect of acts of omission or commission, by the Company unless it is occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he has not acted diligently

SECTION X-OTHER INFORMATION**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of this Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Prospectus delivered to the Registrar of Companies for registration, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office of our Company from 10.00 am to 5.00 pm on Working Days from the date of this Draft Prospectus until the Issue Closing Date.

MATERIAL CONTRACTS

- 1) Memorandum of Understanding dated 23rd August, 2021 between our Company and the Lead Manager to the Issue.
- 2) Memorandum of Understanding dated 23rd August, 2021 entered into with Mas Services Limited to appointing them as the Registrar to the Issue.
- 3) Copy of tripartite agreement dated 12th August, 2021 between NSDL, our Company and Mas Services Limited.
- 4) Copy of tripartite agreement dated July 22, 2021 between CDSL, our Company and Mas Services Limited.
- 5) Public Issue Account Agreement dated [•] between our Company, the Lead Manager, Banker to the Issue/Sponsor Bank and the Registrar to the Issue.
- 6) Market Making Agreement dated [•] between our Company, Lead Manager and Market Maker.
- 7) Underwriting Agreement dated [•] between our Company and Underwriter.

DOCUMENTS FOR INSPECTION

- 1) Memorandum and Articles of Association of our Company as amended from time to time.
- 2) Copy of the resolution passed at the meeting of the Board of Directors held on 21st July, 2021 approving the issue.
- 3) Copy of the resolution passed by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on 28th July, 2021.
- 4) Copy of resolution passed in Extra Ordinary General meeting dated 19th July, 2020 for appointing Ms. Anjani Mittal as the Managing Director of our Company for a period of Five (5) years w.e.f 19th July, 2020
- 5) Annual Report of Company for the financial years i.e. 2017-18, 2018-19 and 2019-20;
- 6) Consents of the Directors, Company Secretary/Compliance Officer, Chief Financial Officer, Statutory Auditors, Lead Manager to the Issue, Underwriter, Market Makers, Bankers to the Issue, Legal Advisors to the Issue, and Registrars to the Issue, to include their names in the Prospectus to act their respective capacities.



AVYUKTA DAIRY PRODUCTS LIMITED

- 7) Audit report and restated financial information issued by our Statutory Auditors i.e. M/s. PAN & Co., Chartered Accountants, dated 16th August, 2021 included in the Draft Prospectus.
- 8) Letter dated 23rd August, 2021 from the statutory Auditors of our Company, M/s. PAN & Co., Chartered Accountants, detailing the tax benefits.
- 9) Copy of certificate from the statutory Auditors of our Company, M/s. PAN & Co., Chartered Accountants, dated 23rd August, 2021 regarding the sources and deployment of funds as on 31st July, 2021.
- 10) Board Resolution dated 23rd August, 2021, for approval of Draft Prospectus.
- 11) Due Diligence Certificate dated 23rd August, 2021 from Lead Manager viz. Navigant Corporate Advisors Limited along with the filing of the Draft Prospectus.
- 12) Copy of approval from BSE vide letter dated [•] to use the name of BSE in this offer document for listing of Equity Shares BSE-SME.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

**AVYUKTA DAIRY PRODUCTS LIMITED****DECLARATION**

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act, 2013, and the guidelines issued by the Government of India or the Regulations/Guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

SIGNED BY ALL THE DIRECTORS

Name of Director	DESIGNATION	DIN	ADDRESS	SIGNATURE
Ms. Anjani Mittal	Managing Director	07917585	E -94, Ground Floor, G.K. 1, Greater Kailash S.O., Greater Kailash, South Delhi, Delhi - 110048	Sd/-
Ms. Sarla Duhan	Non- Executive Non Independent Director	09275202	1055, Iffco Colony, Sector-17B Industrial Estate, Gurugram, Haryana India 122007	Sd/-
Mr. Suresh Kumar Goswami	Non- Executive Independent Director	08613554	1632, Near Ahmed Hospital, Sector 15 part 2, Gurgaon Farukhanagar, Haryana - 122001	Sd/-
Mr. Rao Laxman Singh	Non- Executive Independent Director	08055192	House No. 1029, sector- 17B, IFFCO Colony, gurugram - 122001, Haryana, India	Sd/-

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER

Sd/-

Ms. Nisha Singh

SIGNED BY THE CHIEF FINANCIAL OFFICE

Sd/-

Mr. Avdhesh Mittal

Date: 23rd August, 2021**Place:** New Delhi

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY NAVIGANT CORPORATE ADVISORS LIMITED

TABLE 1

Sr. No.	Issue Name	Issue Size (Rs. Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, +/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 180th calendar days from listing
1	Prabhat Telecoms (India) Limited	11.22	51.00	03-08-2016	61.20	+43.14% (+3.01%)	+47.06% (+0.65%)	+54.90% (+0.55%)
2	KMS Medisurg Limited	2.70	30.00	24-04-2017	30.00	+0% (+2.18%)	+2.17% (+8.00%)	+0.33% (+9.22%)
3	Pure Giftrart Limited	7.45	13.00	08-05-2017	10.80	+0.77% (+4.49%)	+0% (+8.02%)	+8.85% (+12.56%)
4	Jalan Transolutions (India) Limited	17.71	46.00	31-05-2017	41.50	-21.74% (-0.72%)	-27.07% (+0.78%)	-12.28% (+8.28%)
5	G G Engineering Limited	2.23	20.00	17-07-2017	21.00	+9.50% (-0.87%)	+119.75% (+1.12%)	+155.00% (+7.85%)
6	Keert Knowledge & Skills Limited	4.05	52.00	07-08-2017	51.05	-9.02% (-1.90%)	-27.12% (+4.37%)	+1.92% (+8.65%)
7	Ashok Masala Mart Limited	2.01	10.00	22-08-2017	12.00	-19.40% (+3.45%)	-6.50% (+7.65%)	-7.50% (+8.69%)
8	Manav Infra Projects Limited	5.51	30.00	18-09-2017	32.00	-32.50% (+0.50%)	-40.83% (+3.21%)	-48.33% (+3.89%)
9	Ajponi Biotech Limited	6.59	30.00	02-01-2018	36.00	+51.33% (+6.19%)	+3.33% (-1.65%)	-20.00% (+4.77%)
10	Continental Seeds and Chemicals Limited	4.21	26.00	04-04-2018	27.30	-16.19% (+5.74%)	-26.92% (+7.15%)	-47.50% (+9.72%)
11	Power and Instrumentatio n (Gujarat) Limited	6.15	33.00	23-04-2018	35.00	-6.36% (+0.58%)	-48.48% (+5.94%)	-63.64% (-0.39%)
12	Dr Lalchandani Labs Limited	4.20	30.00	09-05-2018	29.95	-2.50% (+0.35%)	+3.17% (+6.64%)	-20% (-2.84%)
13	Sirca Paints India Limited	77.91	160.00	30-05-2018	162.00	-5.25% (+1.48%)	+49.78% (+10.85%)	+36.50% (+0.21%)
14	Rajnish Wellness Limited	11.98	95.00	09-07-2018	100.00	+18.05% (+5.43%)	+20.84% (-4.33%)	+37.00% (+0.67%)
15	Akg Exim Limited	5.52	31.00	25-09-2018	32.25	+5.16% (-7.14%)	+3.23% (-2.48%)	+15.81% (+4.13%)
16	SBC Exports Limited	6.56	22.00	04-07-2019	22.00	+10.23% (+7.23%)	+9.77% (-4.02%)	+42.50% (+3.37%)
17	Wonder Fibromats Limited	19.79	89.00	06-08-2019	93.00	-0.28% (-0.90%)	+2.25% (+8.99%)	+0.00% (+7.46%)
18	Salsar Exteriors & Contour Limited	8.50	36.00	12-09-2019	36.00	+12.50% (+2.76%)	+61.11% (+8.92%)	+2.78% (-3.96%)
19	Focus Business Solution Limited	1.22	19.00	13-07-2021	29.35	+19.21% (+3.93%)	N.A.	N.A.
20	Rex Pipes & Cable Industries Limited	6.24	26.00	10-08-2021	26.80	N.A.	N.A.	N.A.

Note: The 30th, 90th, and 180th calendar days has been taken as listing date plus 29, 89, 179 calendar days respectively. Where the 30th day / 90th day / 180th day falls on BSE / NSE Trading holiday or falls on day when there is no trade in equity share of the respective company, preceding trading day has been considered. BSE SENSEX has been considered as the benchmark index. We have taken the Issue Price to calculate the % of change in closing price as on 30th, 90th, and 180th calendar day.

TABLE 2: SUMMARY STATEMENT OF DISCLOSURE OF PAST ISSUED HANDELED BY NAVIGANT CORPORATE ADVISORS LIMITED

Financial Year	Total No. of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing			
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	
2021-2022	2	7.46	0	0	0	0	0	0	1	N.A.			N.A.		
2019-2020	3	34.85	0	0	1	0	0	0	2	0	0	0	0	2	
2018-2019	6	109.97	0	0	4	0	0	0	2	1	1	0	1	2	
2017-2018	8	48.25	0	1	3	1	0	0	3	0	1	3	1	0	
2016-2017	1	11.22	0	0	0	0	0	1	0	0	0	0	1	0	