



Parvati Sweetners and Power Limited


Our Company was originally incorporated as “Parvati Sweetners and Power Private Limited” on December 13, 2011 as a private limited company under the Companies Act, 1956, with the Registrar of Company, Madhya Pradesh, Gwalior. Subsequently, our Company was converted to public limited company pursuant to a special resolution passed in the General Meeting of our Shareholders dated January 12, 2012 and the name of our Company was changed to “Parvati Sweetners and Power Limited” and a fresh Certificate of Incorporation was granted by the Registrar of Companies, Madhya Pradesh at Gwalior on January 24, 2012. For details of changes in the name and registered office of our Company, refer chapter titled “General Information” on page 38 of this Draft Letter of Offer.

Registered Office: “Hall No: 2”, Gomantika Parisar, Shopping Complex, Jawahar Chowk, Bhopal – 462 003, Madhya Pradesh, India;

Tel.: +91 755 4009254 **Email:** info@parvatisweetners.com **Website:** www.parvatisweetners.co.in

Contact Person: Mohita Ramsariya, Company Secretary and Compliance Officer, Email: info@parvatisweetners.com

Corporate Identity Number: L15421MP2011PLC027287

OUR PROMOTERS: JAI NARAIN CHOUKSEY, POONAM CHOUKSEY, ANUPAM CHOUKSEY AND KUSRO NISAR FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF PARVATI SWEETNERS AND POWER LIMITED (OUR “COMPANY”) ONLY			
ISSUE OF UP TO [●] FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹5 EACH OF OUR COMPANY (THE “RIGHTS EQUITY SHARES”) FOR CASH AT A PRICE OF ₹[●] PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹[●] PER RIGHTS EQUITY SHARE) AGGREGATING UP TO ₹2950 LACS ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] RIGHTS EQUITY SHARES FOR EVERY [●] FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] (“RECORD DATE”) (THE “ISSUE”). FOR FURTHER DETAILS, SEE “TERMS OF THE ISSUE” ON PAGE 155 OF THIS DRAFT LETTER OF OFFER.			
<i>*Assuming full subscription with respect to Rights Equity Shares</i>			
PAYMENT SCHEDULE FOR THE RIGHTS EQUITY SHARES			
AMOUNT PAYABLE PER RIGHTS EQUITY SHARE*	Face Value (in ₹)	Premium (₹)	Total (₹)
On Application	5.00	[●]	[●]
Total (₹)	5.00	[●]	[●]
<i>* For further details on Payment Schedule, see “Terms of the Issue” on page 155.</i>			
WILFUL DEFAULTERS OR FRAUDULENT BORROWERS			
Neither our Company nor any of our Promoters or any of our Directors have been or are identified as Wilful Defaulters or Fraudulent Borrowers.			
GENERAL RISKS			
Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the 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 the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Specific attention of investors is invited to the statement of “Risk Factors” on page 19 of this Draft Letter of Offer.			
COMPANY’S ABSOLUTE RESPONSIBILITY			
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Letter of Offer 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 Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.			
LISTING			
The existing Equity Shares are listed on BSE Limited (“BSE”) (the “Stock Exchange”). Our Company has received “in-principle” approvals from BSE for listing the Rights Equity Shares to be allotted pursuant to the Issue through its letter dated [●]. Company will also make applications to the Stock Exchange to obtain trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purposes of the Issue, the Designated Stock Exchange is BSE			
REGISTRAR TO THE ISSUE			
			
PURVA SHAREREGISTRY (INDIA) PVT. LTD. Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel East, Mumbai – 400011, Maharashtra, Contact Details: +91-22-2301 6761/ 8261 Email Address: support@purvashare.com ; Website: www.purvashare.com ; Contact Person: Ms. Deepali Dhuri; SEBI Registration Number: INR000001112			
ISSUE PROGRAMME			
ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSING ON**	
[●]	[●]	[●]	

*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat accounts of the Renouncees on or prior to the Issue Closing Date.

**Our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

(This page has intentionally been left blank)

TABLE OF CONTENTS

SECTION I – GENERAL	1
Definitions and Abbreviations	1
Notice to Investors.....	9
Presentation of Financial Information and Other Information.....	12
Forward Looking Statements	14
SECTION II - SUMMARY OF THIS DRAFT LETTER OF OFFER.....	16
SECTION III - RISK FACTORS	19
SECTION IV - INTRODUCTION.....	37
The Issue	37
General Information	38
Capital Structure	43
SECTION V – PARTICULARS OF THE ISSUE	49
Objects of the Issue	49
Statement of Tax Benefits.....	54
SECTION VI – ABOUT THE COMPANY.....	56
Industry Overview	56
Our Business.....	62
Our Management.....	70
Our Promoters and Promoter Group	79
SECTION VII – RESTATED FINANCIAL INFORMATION.....	85
Financial Statement	85
Statement of Accounting Ratios.....	121
Capitalization Statement	122
Management’s Discussion and Analysis of Financial Position and Results of Operations.....	123
SECTION VIII – LEGAL AND OTHER INFORMATION	142
Outstanding Litigation and Material Developments	142
SECTION IX - OTHER REGULATORY AND STATUTORY DISCLOSURES.....	149
Terms of the Issue	155
SECTION X - OTHER INFORMATION	192
Material Contracts and Documents for Inspection.....	192
DECLARATION	193

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification will be deemed to include all amendments, supplements, re-enactments and modifications thereto from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time thereunder. The words and expressions used but not defined in this Draft Letter of Offer will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder, as applicable.

The following list of capitalised terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

The Terms used in “Summary of this Draft Letter of Offer”, “Restated Financial Information”, “Statement of Tax Benefits”, “Outstanding Litigations and Material Developments” and “Terms of the Issue” on pages 16, 85, 54, 142 and 155 respectively of this Draft Letter of Offer, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections.

General Terms

Term	Description
“Company”, “Our Company”, “the Company”, or “PSPL”	Parvati Sweetners and Power Limited, a public limited company incorporated under the Companies Act, 1956 whose registered office is situated at “Hall No:2”, Gomantika Parisar, Shopping Complex, Jawahar Chowk, Bhopal – 462 003, Madhya Pradesh, India.
“We”, “Our”, “Us”, or “our Group”	Unless the context otherwise requires, indicates or implies or unless otherwise specified, Our Company. as applicable, as at and during the relevant Financial Year.

Company Related Terms

Term	Description
Articles of Association” or “Articles	Articles of Association of our Company, as amended from time to time
Audit Committee	The audit committee of our Board
Auditors or Statutory Auditors	The statutory auditors of our Company, namely, Khare Pamecha & Co., Chartered Accountants
Board of Directors, or Board or our Board	The Board of Directors of our Company or any duly constituted committee thereof.
Corporate Office	Corporate Office of our Company situated at “Hall No:2”, Gomantika Parisar, Shopping Complex, Jawahar Chowk, Bhopal – 462 003, Madhya Pradesh, India.
Chairman and Managing Director	The Chairman and Managing Director of our Company, Ms Poonam Chouksey
Director(s)	The director(s) on our Board, as disclosed in “Our Management” on page 70 of this Draft Letter of Offer
Equity Shares	Equity shares of face value of ₹ 5 each of our Company
Executive Director(s)	Executive Director(s) of our Company being the Ms Poonam Chouksey and Mr Anupam Chouksey, unless otherwise specified.
Chief Financial Officer	The Chief Financial Officer of our Company, Mr. Vishal Shivhare
Group Companies	Group companies of our Company as determined in terms of Regulation 2(1)(t) of SEBI ICDR Regulations
Independent Directors	An Independent Director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see “Our Management” beginning on page 70 of this Draft Letter of Offer
Key Managerial Personnel or	Key Managerial Personnel of our Company in terms of Regulation 2(1)(bb) of

Term	Description
KMP	the SEBI ICDR Regulations, as disclosed in “Our Management” on page 70
Material Subsidiaries	Our Company does not have any material subsidiaries
Memorandum of Association	Memorandum of Association of our Company, as amended from time to time
“Non-Executive Director(s)”	A Director, not being an Executive Director of our Company.
Promoters	The promoters of our Company, being Mr Jai Narain Chouksey, Ms Poonam Chouksey, Mr Anupam Chouksey and Mr Khusro Nisar
Promoter Group	Unless the context requires otherwise, the promoter group of our Company as determined in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations
Registered Office	Registered office of our Company situated at “Hall No:2”, Gomantika Parisar, Shopping Complex, Jawahar Chowk, Bhopal – 462 003, Madhya Pradesh, India.
Rights Issue Committee	The Rights issue committee of our Board constituted through the resolution of the Board dated August 13, 2022.
Restated Financial Statements	Our restated Ind AS summary statement of assets and liabilities as at March 31, 2022, as at March 31, 2021 and as at March 31, 2020, and restated Ind AS summary statement of profit and loss, restated Ind AS summary statement of changes in equity and restated Ind AS summary statement of cash flows for the years ended March 31, 2022, March 31, 2021 and March 31, 2020, together with the annexures, notes and other explanatory information thereon, derived from the annual audited financial statements as at and for year ended March 31, 2022, March 31, 2021 and March 31, 2020, prepared in accordance with Ind AS and restated in accordance with Section 26 of Part 1 of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the ICAI.
Subsidiaries	Subsidiaries of our Company as defined under the Companies Act, 2013 and the applicable Accounting Standards. We currently do not have any subsidiaries.
Shareholders or “Equity Shareholders	The holders of the Equity Shares from time to time
Unaudited Financial Results	The unaudited, limited review standalone financial results of our Company as at and for the six-month period ended September 30, 2022

Issue Related Terms

Term	Description
Abridged Letter of Offer or ALOF	The Abridged Letter of Offer to be sent to the Eligible Equity Shareholders of our Company with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement
Allotment or Allot or Allotted	Allotment of Rights Equity Shares pursuant to the Issue
Allotment Account	The account opened with the Banker(s) to the Issue, into which the Application Money lying credit to the escrow account and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act
Allotment Account Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, [●]
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue
Allotment Date	Date on which the Allotment is made pursuant to the Issue
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue
Applicant(s) or Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to make an application for the Rights Equity Shares pursuant to the Issue in terms of the Letter of Offer, including an ASBA Investor

Term	Description
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price
Application Form	Unless the context otherwise requires, an application form used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue
Application Money	Aggregate amount payable at the time of Application, i.e., ₹[●] per Rights Equity Share in respect of the Rights Equity Shares applied for in this Issue
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by Applicant(s) to make an application authorising the SCSB to block the Application Money in a specified bank account maintained with the SCSB
ASBA Account	An account maintained with SCSBs and as specified in the Application Form or plain paper Application, as the case may be, by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper Application
ASBA Applicant/ ASBA Investors	Eligible Equity Shareholders who make an application to subscribe to the Issue through ASBA process
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020
Banker(s) to the Issue	Collectively, Escrow Collection Bank, Allotment Account Bank and the Refund Bank, in this case being [●]
Banker(s) to the Issue Agreement	Agreement to be entered into by and among our Company, the Registrar to the Issue and the Banker(s) to the Issue for collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account and where applicable, refunds of the amounts collected from Applicants/Investors, on the terms and conditions thereof
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange in this Issue, as described in “Terms of the Issue” on page 155 of this Draft Letter of Offer.
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on SEBI updated from time to time, or at such other website(s) as may be prescribed by the SEBI from time to time.
Demographic Details	Details of Investors including the Investor’s address, PAN, DP ID, Client ID, bank account details and occupation, where applicable.
Designated Branch(es)	Such branches of the SCSBs which shall collect the Applications, as the case may be, used by the ASBA Investors and a list of which is available on the website of SEBI and/or such other website(s) as may be prescribed by the SEBI from time to time
Designated Stock Exchange	BSE Limited
Eligible Equity Shareholder(s)	Existing Equity Shareholders as at the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, please see “Notice to Investors” on page 9
Equity Shareholder(s) or Shareholders	Holder(s) of the Equity Shares of our Company
Escrow Collection Bank	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the escrow account will be opened, in this case being, [●]
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent Borrower(s) as defined under Regulations 2(1)(III) of the SEBI ICDR Regulations
Issue or Rights Issue	This issue of up to [●] fully paid-up Equity Shares of face value of ₹5/- each of our Company for cash at a price of ₹[●] (including a premium of ₹[●] per Rights Equity Share) aggregating up to ₹2950 Lacs* on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Share for

Term	Description
	every [●] fully paid-up Equity Shares held by the Eligible Equity Shareholders on the Record Date. <i>*Assuming full subscription respect to Rights Equity Shares</i>
Issue Closing Date	[●]
Issue Materials	Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Application, in accordance with the SEBI ICDR Regulations.
Issue Price	₹[●] per Equity Share On Application, investors will have to pay ₹[●] per Rights Equity Share which constitutes 100% of the Issue Price
Issue Proceeds	The gross proceeds raised through the Issue
Issue Size	The issue of up to [●] Rights Equity Shares aggregating up to ₹ 2950 Lacs* <i>*Assuming full subscription with respect to Rights Equity Shares</i>
Letter of Offer	The letter of offer dated [●] to be filed with the Stock Exchange and SEBI
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchange in terms of the SEBI Listing Regulations
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application.
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please see “Objects of the Issue” on page 49
Non-ASBA Investor	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process
Non-Institutional Investors	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations
Off Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars, circulars issued by the Depositories from time to time and other applicable laws
On Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars, circulars issued by the Stock Exchange from time to time and other applicable laws, on or before [●]
Payment Schedule	Payment schedule under which 100% of the Issue Price is payable on Application, i.e. ₹[●] per Rights Equity Share
Qualified Institutional Buyers or QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares in the Issue, being [●], [●]
Refund Bank	The Bankers to the Issue with whom the refund account will be opened, in this case being [●]
Registrar Agreement	Agreement dated December 07, 2022 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue
Registrar to the Company	Link Intime India Private Limited
Registrar to the Issue	Purva Shareregistry (India) Pvt. Ltd.
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market

Term	Description
	transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date
Rights Entitlement(s)	Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being [●] Rights Equity Shares for every [●] Equity Shares held by an Eligible Equity Shareholder
Rights Equity Shares	Equity Shares to be Allotted pursuant to this Issue
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
SCSB(s)	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34
Stock Exchange	Stock exchange where the Equity Shares are presently listed, being BSE Limited
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalisation of the Basis of Allotment, in consultation with the Designated Stock Exchange
Wilful Defaulter	Company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI
Working Days	In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

Industry Related Terms

Term/Abbreviation	Description/ Full Form
Acres	One Acre equals 4046.86 Square Meters
APEDA	Agricultural and Processed Food Products Export Development Authority
Bagasse	Fibrous pulpy material left over after sugarcane is extracted for its juice
CACP	Commission for Agricultural Costs and Prices
Cane Area Reservation	Every designated mill is obligated to purchase from cane farmers within the cane reservation area, and conversely, farmers are bound to sell to the mill.
CFPI	Consumer Food Price Index
CPI	Consumer Price Index
Crushing Season	The period as set by the state government each year during which sugarcane crushing should take place.
Crystallisation	Nucleation and growth of crystals.
DCS	Distributed Control System
FRP	Fair and Remunerative Price
MH	Million Hectares
Minimum Distance Criteria	Under the Sugarcane Control Order, the central government has prescribed a minimum radial distance of 15 km between any two sugar mills
MMT	Million Metric Tonnes
Molasses	The syrup separated from the crystals by Centrifuging used for producing alcohol
MT	Metric Tonnes
SMP	Statutory Minimum Price
TCD	Tonnes Crushed Per Day

Conventional and General Terms or Abbreviations

Term/Abbreviation	Description/ Full Form
₹ or Rs. or Rupees or INR	Indian Rupee
Adjusted EBITDA	Adjusted earnings before interest, taxes, depreciation, and amortisation
AIF(s)	Alternative Investment Fund, as defined and registered with SEBI under the SEBI AIF Regulations
AS or Accounting Standards	Accounting standards issued by the ICAI
BSE	BSE Limited
CAGR	Compounded annual growth rate
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CBDT	Central Board of Direct Taxes, Government of India
CDSL	Central Depository Services (India) Limited
Central Government	Central Government of India
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest
CIBIL	Credit Information Bureau (India) Limited
CIN	Corporate Identity Number
Civil Code	Code of Civil Procedure, 1908
Client ID	The client identification number maintained with one of the Depositories in relation to the demat account
Companies Act or Companies Act, 2013	The Companies Act, 2013, read with the rules, regulations, clarifications and modifications notified thereunder
Companies Act 1956	The Companies Act, 1956, read with the rules, regulations, clarifications and modifications notified thereunder
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DP / Depository Participant	Depository participant as defined under the Depositories Act
DP ID	Depository Participant Identity
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation, and amortisation
EGM	Extraordinary general meeting
EPF	Employees’ Provident Fund
EPFO	Employees’ Provident Fund Organisation
EPS	Earnings Per Share
EUR	Euro
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year / Fiscal Year / FY	Period of 12 months ending March 31 of that particular year
FDI Policy	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification dated October 28, 2020 issued by DPIIT, effective from October

Term/Abbreviation	Description/ Full Form
	15, 2020
FIR	First information report
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors registered under the SEBI FVCI Regulations
GAAR	General anti-avoidance rules
GAAP	Generally Accepted Accounting Principles in India
Gazette	Official Gazette of India
GDP	Gross domestic product
GIR	General Index Register
GOI	Government of India
Government	Central Government and/ or the State Government, as applicable
GST	Goods and Services tax
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
IEPF	Investor Education and Protection Fund
IFRS	International Financial Reporting Standards
Income-tax Act	Income Tax Act, 1961
Ind AS	Indian Accounting Standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015
India	Republic of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information Technology
KYC	Know Your Customer
MCA	Ministry of Corporate Affairs, Government of India
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NAV	Net Asset Value per Equity Share at a particular date computed based on total equity divided by number of Equity Shares
Net Worth	The aggregate value of the equity share capital, other equity and non-controlling interests
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NR	Non-resident or person(s) resident outside India, as defined under the FEMA
NRE	Non- Residential External
NRE Account	Non-resident external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO	Non- Resident Ordinary
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCBs or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in this Issue
OCI	Overseas Citizen of India
p.a.	Per annum
P/E Ratio	Price to Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PMLA	Prevention of Money Laundering Act, 2002
RBI	Reserve Bank of India

Term/Abbreviation	Description/ Full Form
Regulation S	Regulation S under the United States Securities Act of 1933, as amended
RoC	Registrar of Companies, Gujarat at Ahmedabad
ROE	Return on Equity
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Rights Issue Circulars	SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular issued by SEBI in this regard
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as repealed and replaced by the SEBI AIF Regulations
Securities Act	United States Securities Act of 1933
Stamp Act	The Indian Stamp Act, 1899
Stock Exchange	BSE
STT	Securities Transaction Tax
State Government	Government of a State of India
TAN	Tax deduction account number
TDS	Tax deductible at source
Trademarks Act	Trade Marks Act, 1999
USD	United States Dollar
U.S./USA/United States	United States of America, its territories or possessions, any state of the United States, and the District of Columbia
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations
w.e.f.	With Effect From
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

NOTICE TO INVESTORS

The distribution of the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions. For details, see “*Restrictions on Purchases and Resales*” on page 183 of this Draft Letter of Offer.

The Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue (collectively, the “**Issue Materials**”) will be sent/ dispatched only to the Eligible Equity Shareholders who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address to us, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent the Issue Materials.

Investors can also access this Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of our Company, the Registrar, and the Stock Exchange.

Our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials (including this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form) in the event the Issue Materials have been sent on the registered e-mail addresses of such Eligible Equity Shareholders or if there are electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in transit.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer is being filed with the Stock Exchanges and submitted to SEBI for information and dissemination. Accordingly, the Rights Entitlements and the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter and any other Issue Materials or advertisements in connection with this Issue may not be distributed, in whole or in part, in or into any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction.

In particular, the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any state of the United States and may not be offered or sold in the United States, except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The Rights Entitlements and Rights Equity Shares are being offered and sold only to persons outside the United States in offshore transactions as defined in and in compliance with Regulation S under the Securities Act (“**Regulation S**”). Accordingly, the Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into: (i) the United States, or (ii) any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer, or any other Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by any person: (i) in the United States, or (ii) in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Letter of Offer, and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed in part or full. Accordingly, persons receiving a copy of this Letter of Offer and any other Issue Materials should not distribute or send this Letter of Offer or any such documents in or into any jurisdiction where to do so would or might contravene local securities laws or regulations or would subject our Company to any filing or registration requirement (other than in India). If this Letter of Offer or any other Issue Material is received by any person in any such jurisdiction, or by their agents or nominees, they must not seek to subscribe to the Rights Equity Shares. For more details, see “*Restrictions on Purchases and Resales*” on page 183.

Any person who makes an application to acquire the Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights

Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company to make any filing or registration (other than in India). In addition, each purchaser of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgements, undertakings and agreements set forth in "*Restrictions on Purchases and Resales*" beginning on page 183.

Our Company, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States and such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with the Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

Neither the receipt of this Draft Letter of Offer nor any sale of Rights Equity Shares hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or the date of such information. The contents of this Draft Letter of Offer should not be construed as legal, tax, business, financial or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Rights Equity Shares or Rights Entitlements. Prospective Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of the Rights Equity Shares or the Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Rights Equity Shares or Rights Entitlements. In addition, our Company is not making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Entitlements or the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by any regulatory authority, nor has any regulatory authority passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Draft Letter of Offer. Any representation to the contrary is a criminal offence in certain jurisdictions.

This Draft Letter of Offer is, and any other Issue Materials will be, supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

NOTICE TO INVESTORS IN THE UNITED STATES

The Letter of Offer is being delivered only to investors outside the United States in “offshore transactions” as defined in, and in compliance with, Regulation S. None of the Rights Entitlements or the Rights Equity Shares has been, or will be, registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

The above information is given for the benefit of the Applicants. Our Company are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION

Certain Conventions

All references to “India” contained in this Draft Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year. Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

Financial Data

Unless stated otherwise, the financial data in this Draft Letter of Offer is derived from the Restated Financial Statements and the Unaudited six months financial results i.e., September 30, 2022. Our Company’s financial year commences on April 1 of each calendar year and ends on March 31 of the following calendar year. For details of the financial statements, please see “*Restated Financial Information*” on page 85 of this Draft Letter of Offer. Unless otherwise stated, references in this Draft Letter of Offer to a particular ‘Financial Year’ or ‘Fiscal Year’ or ‘Fiscal’ are to the financial year ended March 31.

The GoI has adopted the Indian accounting standards (“**Ind AS**”), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board (“**IFRS**”) and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the “**Ind AS Rules**”). Our Company prepares its financial statements in accordance with Ind AS, the Companies Act, and other applicable statutory and/or regulatory requirements. Our Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

The Restated Financial Statements of our Company for the Financial Years ended March 2022, March 2021 and March 2020 and the limited reviewed unaudited results for six months period ended September 30, 2022 have been prepared in accordance with Ind AS as prescribed under Section 133 of Companies Act read with the Ind AS Rules and other the relevant provisions of the Companies Act and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (revised), 2019, issued by the ICAI. Our Company publishes its financial statements in Rupees.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures. Unless stated otherwise, throughout this Draft Letter of Offer, all figures have been expressed in Rupees, and in Lakhs.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Letter of Offer should accordingly be limited. For further information, see “*Restated Financial Information*” on page 85 of this Draft Letter of Offer.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India;
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America; and
- “Euro” or “€” are to Euros, the official currency of the European Union.

Our Company has presented certain numerical information in this Draft Letter of Offer in “lakh” or “Lac” units or in whole numbers. One lakh represents 1,00,000 and one million represents 10,00,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operation*” and elsewhere in this Draft Letter of Offer, unless otherwise indicated, have been calculated based on our Audited and Unaudited Financial Information.

Exchange Rates

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

S. No.	Currency	Exchange Rate (₹)			
		As at September 30,		As at March 31,	
		2022	2021	2022	2021
1.	1 USD	81.55	74.26	75.81	73.50
2.	1 Euro	80.11	86.14	84.66	86.10

(Source: www.rbi.org.in and www.fbil.org.in)

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 19 of this Draft Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

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

FORWARD LOOKING STATEMENTS

Certain statements contained in this Draft Letter of Offer that are not statements of historical fact constitute 'forward-looking' statements. Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'expected to', 'intend', 'is likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'would', or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company's expected financial conditions, result of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Draft Letter of Offer that are not historical facts. These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our Company's expectations include, among others:

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, the competition in our industry and markets, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes, incidence of natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- adverse changes in central or state government policies
- trends in the Indian Sugar industry;
- adverse development that may affect our operations
- performance of our key clients;
- adverse effect of competition on our market share and profits;
- any qualifications or other observations made by our future statutory auditors which may affect our results of operations;
- Any adverse development that may affect the operations of our manufacturing unit;
- changes in technology and our ability to manage any disruption or failure of our technology systems;
- our ability to:
 - manage our growth effectively;
 - manage our credit risk;
 - manage our quality of services;
 - hire and retain senior management personnel and other skilled manpower;
 - manage cost of compliance with labor laws or other regulatory developments;
 - manage our operating costs;
 - manage breakdown or failure of equipment, power supply or processes, natural disasters and accidents;
 - successfully implement our business strategies and expansion plans;
 - maintain effective internal controls;
- adequate and timely supply of equipment and raw materials necessary for our operations;
- Our ability to attract and retain qualified personnel;
- changes in general, political, social and economic conditions in India and elsewhere;
- general levels of GDP growth, and growth in employment and personal disposable income; and
- economic uncertainties, fiscal crises or instability in India.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 19, 62 and 123 respectively, of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated. We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Letter of Offer and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors or our Promoters have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of this Draft Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.

SECTION II - SUMMARY OF THIS DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures and terms of the Issue included in this Draft Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to the prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Letter of Offer, including, “*Risk Factors*”, “*Objects of the Issue*”, “*Our Business*” and “*Outstanding Litigation and Material Developments*” on pages 19, 49, 62, and 142 respectively.

1. Summary of Industry

Sugar industry is an important agro-based industry that impacts rural livelihood of about 50 million sugarcane farmers and around 5 lakh workers directly employed in sugar mills. Employment is also generated in various ancillary activities relating to transport, trade servicing of machinery and supply of agriculture inputs. India is the second largest producer of sugar in the world after Brazil and is also the largest consumer. According to the latest report by Indian Sugar Mills Association (ISMA), 504 sugar mills were in operation in the country as on 15th January 2022 and have produced 151.41 lac tonnes of sugar, as compared to 142.78 lac tonnes produced by 487 sugar mills as on 15th January’ 2021. This is 8.63 lac tonnes higher as compared to last season’s production for the corresponding period.

For further details, please refer to the chapter titled “*Industry Overview*” at page 56 of this Draft Letter of Offer.

2. Summary of Business

The Company, a part of the LNCT group, Bhopal, Madhya Pradesh is a broad based and integrated sugar company with extensive interests in sugar. We have a sugar plant in Village Sankhini, Gwalior Madhya Pradesh which can crush up to 2500 MT per day and our core business includes sugar and sugar products. . The Company intends to invest in installing a new advanced Ethanol Plant to generate more power with less steam. Our Equity Shares are listed on the BSE.

For further details, please refer to the chapter titled “*Our Business*” at page 62 of this Draft Letter of Offer.

3. Our Promoter

The Promoters of our Company are Mr Jai Narain Chouksey, Ms Poonam Chouksey, Mr Anupam Chouksey and Mr Khuro Nisar.

4. Intention and extent of participation by our Promoters and Promoter Group

Pursuant to letter dated October 13, 2022, Mr Jai Narain Chouksey, Ms Poonam Chouksey and Mr Anupam Chouksey. (“**Subscription Letter**”), have confirmed that they along with Kalchuri Contractors Limited and Ananjay Construction and Contracts Private Limited, two entities belonging to the promoter group of our Company, will subscribe, jointly and / or severally, (a) to the full extent of their Rights Entitlements, any rights entitlement renounced in their favour by other promoters or members of the promoter group and (b) to any unsubscribed portion in the proposed rights issue. Mr Khuro Nisar, promoter and other members of the promoter group Mr. Mukesh Kumar, Ms. Munni Bee, Mr. Mehmood Khan, Mr. Yusuf Khan, Mr. Farzana Khuro, Mr. Anis Khan, Mr. Nadeem Khan and Mr Khuro Nisar including Promoter Group entities i.e. Marium Leasing and Investment Pvt. Ltd and Yamini Vyapaar have not given any undertaking and will not subscribe to their rights entitlement, any shares renounced in their favour or to any unsubscribed shares in the rights issue. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

5. Objects of the Issue

The Net Proceeds are proposed to be used in the manner set out in the following table:

(₹ in lakhs)

Particulars	Amount
Repayment of the whole or a portion of the unsecured loan taken from our Promoters and members of Promoter Group	2,850.00
General corporate purposes	■
Total Net proceeds	■

Note: The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

For further details, please see chapter titled “Objects of the Issue” beginning on page 49 of this Draft Letter of Offer.

6. Summary of Restated Financial Information

Following are the details as per the Restated Financial Information as at and for the Financial Years ended on March 31, 2020, March 31, 2021 and 2022 and unaudited limited reviewed results for the six-months ended September 30, 2022:

(₹ in lakhs)

S. No.	Particulars	Unaudited Limited Review	Restated Financial		
		September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
1.	Authorised Share Capital	7,500.00	7,500.00	5,500.00	5,500.00
2.	Paid-up Capital	4,509.00	4,509.00	3,542.70	3,542.70
3.	Net Worth attributable to Equity Shareholders	6,595.47	6,897.73	5,822.41	5,660.56
4.	Total Revenue	5,740.04	7,161.22	5,882.63	5,024.53
5.	Profit after tax	(302.67)	109.22	161.85	8.23
6.	Earnings per Share (basic & diluted) (in ₹)	(0.34)	0.12	0.23	0.01
7.	Net Asset Value per Equity Share (in ₹)	7.31	7.65	8.22	7.99
8.	Total Borrowings	3,521.66	3,351.87	4887.80	5,165.95

For further details, please refer the section titled “Restated Financial Information” on 85 of this Draft Letter of Offer.

7. Summary of Outstanding Litigation

A summary of the pending tax proceedings and other material litigations involving our Company, our Promoter, our Directors and our Group Companies is provided below:

Litigations involving our Company

i) Cases filed against our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	0	0
Tax Proceedings	1	11.20
Proceedings involving material violations of statutory regulations by our Company	0	0
Labour Matters	0	0
Economic offences	0	0
Material civil litigations above the materiality threshold	3	27.65
Other civil litigation considered to be material by our	0	0

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Company's Board of Directors		

**To the extent quantifiable*

ii) Cases filed by our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	0	0
Other civil litigation considered to be material by our Company's Board of Directors	1	15.36

**To the extent quantifiable*

Litigations involving our Promoters / Directors

iii) Cases filed against our Promoter / Directors:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	0	0
Tax Proceedings	14	154.59
Proceedings involving material violations of statutory regulations by our Company	0	0
Labour Matters	0	0
Economic offences	0	0
Material civil litigations above the materiality threshold	0	0
Other civil litigation considered material	0	0

**To the extent quantifiable*

iv) Cases filed by our Promoters / Directors:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	0	0
Other civil litigation considered material	0	0

For further details, please see the chapter titled “*Outstanding Litigation and Material Developments*” on page 142 of this Draft Letter of Offer.

8. Risk Factors

Please see the chapter titled “*Risk Factors*” on page 19 of this Draft Letter of Offer.

9. Summary of Contingent Liabilities

There are no contingent liabilities as on March 31, 2022.

10. Summary of Related Party Transactions

For details regarding our related party transactions as per Ind AS 24 entered into by our Company in Fiscals 2020, 2021 and 2022, please see “*Restated Financial Information- Annexure A- Notes to Restated Financial Statements - Related Party Disclosures*” at page 101 of this Draft Letter of -Offer.

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

Our Company has not made any issuances of Equity Shares in the last one year for consideration other than cash.

12. Split or consolidation of Equity Shares in the last one year

No split or consolidation of equity shares has been made in the last one year prior to filing of this Draft Letter of Offer.

SECTION III - RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 56, 62 and 123 of this Draft Letter of Offer, respectively. The industry-related information disclosed in this section has been derived from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Neither our Company, nor any other person connected with the Issue, has independently verified the information in the industry report or other publicly available information cited in this section.

This Draft Letter of Offer also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled “Forward-Looking Statements” on page 14 of this Draft Letter of Offer.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information, prepared in accordance with Ind AS and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

Materiality:

The Risk Factors have been determined on the basis of their materiality. 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; and*
- *Some events may not be material at present but may have a 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. 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 over another.

In this Draft Letter of Offer, any discrepancies in any table between total and sums of the amount listed are due to rounding off.

In this section, unless the context requires otherwise, any reference to “we”, “us” “our” or “Parvati” refers to Parvati Sweetners and Power Limited.

The risk factors are classified as under for the sake of better clarity and increased understanding.

Internal Risk Factors

1. ***We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses or comply with such rules and regulations, and the failure to obtain or retain them in a timely manner or at all may adversely affect our operations.***

We require several statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-renewal of the said permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals or imposition of penalties on us. For further details, kindly refer titled "Government and Other Approvals" on page 148 of this Draft Letter of Offer.

2. ***Our Company is a party to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.***

Our Company is a party to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums. Mentioned below are the details of the proceedings involving our Company, Promoter and Directors as on the date of this Draft Letter of Offer, along with the amount involved, to the extent quantifiable, based on the materiality policy for litigations, as approved by the Company in its Board meeting held on August 13, 2022.

Litigations involving our Company

- i) Cases filed against our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	0	0
Tax Proceedings	1	11.20
Proceedings involving material violations of statutory regulations by our Company	0	0
Labour Matters	0	0
Economic offences	0	0
Material civil litigations above the materiality threshold	3	27.65
Other civil litigation considered to be material by our Company's Board of Directors	0	0

**To the extent quantifiable*

- ii) Cases filed by our Company:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	0	0
Other civil litigation considered to be material by our Company's Board of Directors	1	15.36

**To the extent quantifiable*

Litigations involving our Promoters / Directors

- iii) Cases filed against our Promoter / Directors:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	0	0
Tax Proceedings	14	154.59
Proceedings involving material violations of statutory regulations by our Company	0	0
Labour Matters	0	0
Economic offences	0	0
Material civil litigations above the materiality threshold	0	0
Other civil litigation considered material	0	0

**To the extent quantifiable*

iv) Cases filed by our Promoters / Directors:

Nature of Litigation	Number of matters outstanding	Amount involved* (₹ in lakhs)
Criminal matters	0	0
Other civil litigation considered material	0	0

For further details, please see the chapter titled “*Outstanding Litigation and Material Developments*” on page 142 of this Draft Letter of Offer.

There can be no assurance that these litigations will be decided in in favour of our Company, and consequently it may divert the attention of our management and Promoters and waste our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares.

3. *Our business is seasonal in nature and as a result, our operating results may fluctuate.*

Since our business is influenced by the availability of our basic raw material, i.e., sugarcane, our production schedules are operational only according to such availability. For example, the crushing season generally starts from October each year and remains till April. It is during this period that our majority of the sugar production takes place. During the non-crushing season, i.e. May to September, not only is our sugar production affected but also our co-generation unit is affected for the lack of bagasse and molasses. Further, other seasonal factors such as irrigation, seed quality, area of sugarcane production and amount of rainfall also play a role in determining the quantity and quality of sugarcane produce. Consequently, the results of one reporting period may not be necessarily comparable with the preceding, succeeding or corresponding reporting periods. Our revenues recorded during planting and harvesting seasons (i.e. 1st half of any financial year) are typically lower or even in losses as compared to revenues recorded during the crushing season (i.e. 2nd half of the financial year). During periods of lower sugar production, we continue to incur substantial operating expenses in connection with day-to-day operations, employees’ salaries, miscellaneous maintenance cost and among other things, product promotion expenses which are not reduced significantly during such periods, while our revenues remain reduced. We have experienced, and expect to continue to experience, significant variability in our total revenue, operating cash flows, operating expenses and net revenues on a seasonal basis.

4. *Sugarcane is the principal raw material used for the production of sugar. Our business depends on the availability of sugarcane and any shortage of sugarcane may adversely affect our business and results of operations.*

Although we own about 150 acres of land, we also purchase our sugarcane requirement directly from various independent farmers from within and outside our reserved area. After the de-regulation of the sugar sector, the farmers growing sugarcane within the villages around our manufacturing facility are not required to sell the sugarcane to our Company and we need to maintain cordial relations with these farmers to ensure that they sell their produce to us. We also strive to maintain relations with farmers in other villages not in our immediate vicinity so that we have adequate supply of sugarcane during the crushing season. Further, the farmers within our reserved area have no legal or contractual obligation to cultivate sugarcane and may instead grow other crops. If the farmers within our reserved area cultivate other crops, or otherwise limit their cultivation of sugarcane, we may have a

shortage of the raw material. We work with the farmers to determine the harvesting schedule and also provide them with subsidised seeds, cutting & transport assistance so that these farmers sell their produce to us.

However, if the farmers are able to realise a higher price for sales of sugarcane from other sugar factories or other users, the farmer may have an incentive to sell the sugarcane to parties other than us.

Further, farmers may want to harvest the crop earlier than we have scheduled or grow other crops thereby disrupting our operations. To ensure that the farmers stay interested in selling sugarcane to our Company, we may need to provide financial and other incentives to the farmers. Diversion of sugarcane to other users or other sugar factories may reduce the sugarcane available to us and may adversely affect our financial condition and results of operation. In addition, adverse weather conditions, crop disease, pest attacks may adversely affect sugarcane crop yields and sugar recovery rates for any given harvest. Our sugar production depends on the volume and sucrose content of the sugarcane that is supplied to us. Crop yields and sucrose content depends primarily on the variety of sugarcane grown, the presence of any crop disease, weather conditions such as adequate rainfall and temperature which may vary even in a particular season. Adverse weather conditions crop disease and pest attacks may also affect sugarcane crop yields and sugar recovery rates for any given harvest. Our sugar production depends on the volume and sucrose content of the sugarcane that is supplied to us. Crop yields and sucrose content depends primarily on the variety of sugarcane grown, the presence of any crop disease, weather conditions such as adequate rainfall and temperature which may vary even in a particular season. Flood or drought can adversely affect the supply and pricing of the sugarcane procured by us from the farmers. There can be no assurance that weather patterns, crop disease or the cultivation of certain sugarcane crop varieties will not reduce the amount of sugar that we can recover in any given harvest. Any reduction in the amount of sugar recovered from sugarcane could have a material adverse effect on our business and results of operations.

5. *Our Company has experienced negative cash flow in the past and may continue to do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.*

Our Company has experienced negative net cash flow in operating and financing activities in the recent past, the details of which are provided below:

(₹ in Lakhs)

Particulars	Unaudited	Restated		
	September 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Net Cash Flow from / (used in) Operating Activities	1,719.37	529.02	(193.92)	(398.06)
Net Cash Flow from / (used in) Investment Activities	(28.09)	(157.28)	(155.55)	(525.17)
Net Cash Flow from / (used in) Financing Activities	(2,042.02)	10.40	81.23	857.44

We may incur negative cash flows in the future which may have a material adverse effect on our business, prospects, results of operations and financial condition. For details, please refer “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” of our Company on page 123 of this Draft Letter of Offer.

6. *Our Company has not entered into any long-term contracts with any of its customers for sale of sugar and we typically operate on the basis of orders. Inability to maintain regular order flow would adversely impact our revenues and profitability.*

Our Company has had long standing business relationships with various sugar customers and has been supplying our product to such customers for several years. However, we have not entered into any contracts with these customers and we cater to them on an order-by-order basis. As a result, our customers can terminate their relationships with us without any notice and, without consequence, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our manufactured sugar product. Our Company’s customers have no obligation to place order with us and may either cancel, reduce or delay orders. The orders placed by our Company’s customers are dependent on factors such as the customer satisfaction with the quality of sugar that our Company provides, varieties of sugar that our Company provides, fluctuation in demand for sugar and the customer’s inventory management. Although we place a strong emphasis on quality and timely delivery of our product, in the absence of contracts, any sudden change in the buying pattern of buyers could adversely affect the business and the profitability of our Company.

- 7. *Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by a public financial institution or a scheduled commercial bank and our management will have broad discretion over utilization of the Net Proceeds.***

Our Company proposes to utilize the Net Proceeds for repayment of unsecured loans from our promoters and promoter group. Our proposed deployment of Net Proceeds has not been appraised by a public financial institution or a scheduled commercial bank and is based on management estimates. Our management will have broad discretion to use the Net Proceeds. Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. We cannot assure you that use of the Net Proceeds to fund our growth and for other purposes identified by our management would result in actual growth of our business, increased profitability or an increase in the value of our business.

- 8. *We intend to utilise total amount of ₹ 2,850.00 Lakhs towards repayment of unsecured loans from our promoters / members of the promoter group.***

Our Company proposes to utilise ₹ 2,850.00 Lakhs towards the repayment of unsecured loans availed from our promoters and members of the promoter group who have requested that their contribution in the rights issue be adjusted against the repayment and hence there will be no creation of fresh assets to the extent of ₹ 2,850.00 Lakhs out of the total proceeds from the Rights Issue.

- 9. *Our group Companies and Associates may have conflicts of interest as they are engaged in similar business and may compete with us.***

Our group company Jayant Jaggery Products Private Limited is engaged in the same/ similar industry segment as our Company. Although the product portfolio offered by Jayant Jaggery Products Private Limited differs from that offered by our Company, however there might be conflicts of interest in future. We have not entered into any non-compete agreement with Jayant Jaggery Products Private Limited and there can be no assurance that it will not compete with our existing business or any future business that we might undertake or that we will be able to suitably resolve such a conflict without an adverse effect on our business and financial performance.

- 10. *Our Company has not paid dividends in the last five (5) years. There is no guarantee that the Company will be in a position to pay dividends in the future.***

Our Company has not paid any dividend on its Equity Shares during the preceding five (5) financial years. Further, the ability to pay dividends in the future will depend upon a variety of factors, including but not limited to the earnings, general financial conditions, capital and operating requirements, results of operations, contractual obligations and overall financial position, applicable Indian legal and regulatory restrictions, the Articles of Association and other factors considered relevant by the Board of Directors of the Company. Therefore, the Company cannot assure that it will be in a position to declare dividends of any particular amount or frequency in the future to its shareholders.

- 11. *Our Promoter and members of the Promoter Group have significant control over the Company and have the ability to direct our business and affairs; their interests may conflict with your interests as a shareholder.***

Our Promoter and the members of the Promoter Group currently hold approximately 51.37% of the paid-up equity share capital of our Company and may continue to have a substantial holding after the completion of the issue, assuming full subscription to the Rights Entitlement in the Issue. So long as the Promoters have a majority holding, they will be able to elect the entire Board and control most matters affecting us, including the appointment and removal of the officers of our Company, our business strategy and policies and financing. Further, the extent of the Promoter's shareholding in our Company may result in the delay or prevention of a change of management or control of our Company, even if such a transaction may be beneficial to the other shareholders of our Company.

- 12. *We have in past entered into related party transactions and we may continue to do so in the future.***

As of March 31, 2022 and also for our previous Financial Years, we have entered into several related party transactions. While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more favorable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken

together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. For further details, please refer to the chapter titled — “*Restated Financial Information- Related Party Transactions*” at page 101 of this Draft Letter of Offer.

13. *We are dependent on transportation for the delivery of raw materials and products. Accordingly, continuing increase in transportation costs or unavailability of transportation services for our products, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects.*

We use transport for the supply of most of our raw materials and also for some delivery of our products to our customers. Transportation costs in India have been steadily increasing over the past several years. While usually the end consumer bears the freight cost, we may not always be able to pass on these costs to our customers. Continuing increases in transportation costs or unavailability of transportation services for sugarcane and other raw materials may have an adverse effect on our business, financial condition, results of operations and prospects. Further, India’s physical infrastructure is less developed than that of many developed nations, and especially transportation in village areas is dominated by small, uneven and dirt roads, making transportation difficult and slow. Problems with road connectivity to and from small villages and other communication systems or any other public facility could disrupt our normal business activity, including our supply of raw materials and also the delivery of our products to customers by third-party transportation providers. Any deterioration of India’s physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition.

14. *Our success depends heavily upon our Promoters and Senior Management for their continuing services, strategic guidance and financial support.*

Our success depends heavily upon the continuing services of promoters and directors, who are the natural person in control of our Company. Ms Poonam Chouksey, our Chairman and Managing Director along with Mr Anupam Chouksey is one of the founding promoters of our Company and has been instrumental in our Company’s overall growth. They have many years of experience in the sugar industry and their vision has played a key role in obtaining our current market position. We believe that our relation with our Promoters, who have rich experience in setting up business, developing markets, managing customers and handling overall businesses, has enabled us to experience growth and profitability.

We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and are closely involved in the overall strategy, direction and management of our business. Further, our Promoters have also promoted other companies / firms / ventures and may continue to do so. If they divert their attention to the other companies, we may not be able to function as efficiently and profitably as before. We may have to incur additional costs to replace the services of our promoters or we may not be able to do so at all, which could adversely affect our business operations and affect our ability to continue to manage and expand our business. Further, we also depend significantly on our Key Managerial Persons for executing their day-to-day activities. If our Promoters / Directors or any member of the senior management team is unable or unwilling to continue in his present position, we may not be able to replace him easily or at all, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

In addition, we depend on our Executive Directors / Promoters in procuring certain bank loans and for the extension of unsecured loans and advances from time to time. We rely on our Directors and Promoter, in relation to certain of our bank loans for which they have granted certain security and personal guarantees. Further, our Directors have from time to time, extended loans and advances to our Company for various business purposes (“Unsecured Loans”). We cannot assure you that any future financing we obtain without guarantees from our Directors / Promoters will be on terms which are equal to or more favourable than the terms of our past financings. Further, our promoters Mr Khusro Nisar and his relatives Ms Munni Bee, Mr Mehmood Khan, Mr Yusuf Khan, Ms Farzana Khusro, Mr Anis Khan, Mr Nadeem Khan and corporate promoter group Marium Leasing and Investment Private Limited and Yamini Vyapar Private Limited had applied for reclassification as a part of the promoter and promoter group. Their intent to be reclassified could not be proceeded with further and in case they are reclassified as promoters / part of the promoter group at a later date, our Company would lose the expertise and experience of these promoters in the sugar industry and this could impact our growth plans.

15. *Our manufacturing unit and Registered Office are concentrated only in one (1) area in India i.e., Gwalior District, Madhya Pradesh. Our results of operations could be materially and adversely affected if any facility is disrupted.*

All our manufacturing operations including our Registered Office are based in a single complex which is situated at Gwalior District, Madhya Pradesh. The manufacturing unit is one of the main locations from where we sell our manufactured products including sugar and other by-products. Because of the concentration of our people and other resources at one unit, our results of operations could be materially and adversely affected if the facility is damaged as a result of a natural disaster, including an earthquake, flood, fire, or other event that disrupts our business or causes material damage to our property. Further, any disruption of transport services and other infrastructure problems may halt or hinder our manufacturing and administrative operations. Since we do not have any back-up facilities, it could be difficult for us to maintain or resume our operations quickly in the aftermath of such a disaster / event. Further, we also do not have any insurance to cover any such loss or damage to our assets.

16. *The agreements executed by our Company with lenders for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans.*

We have entered into agreements for our borrowings with certain lenders. These borrowings include secured fund based and non-fund-based facilities. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as change in capital structure, formulation of any scheme of amalgamation or reconstruction, declaring dividends, further expansion of business, granting loans to directors, repaying unsecured loans/inter corporate deposits availed from Promoters and third parties, undertake guarantee obligations on behalf of any other borrower, which require our Company to obtain prior approval of the lenders for any of the above activities. We cannot assure you that our lenders will provide us with these approvals in the future. For details of these restrictive covenants, please refer to chapter titled — “Financial Indebtedness” on page 138 of this Draft Letter of Offer.

17. *A shortage or non-availability of water may adversely affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.*

Our manufacturing operations require a significant amount and continuous supply of electricity, fuel and water and any shortage or non-availability may adversely affect our operations. Although we have a captive power plant to meet our power and fuel requirements we currently source our water requirements from an existing dam near by for which we have obtained permission from the State authorities. However, if such permission is revoked or there is a water shortage we may have to resort to expensive means of procuring water like tankers. Any failure on our part to obtain alternate sources of water, in a timely fashion, and at an acceptable cost, may have an adverse effect on our business, results of operations and financial condition.

18. *Non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, results of operations and financial condition.*

We are subject to a broad range of safety, health, environmental, labour, workplace and related laws and regulations in the jurisdictions in which we operate, which impose controls on the disposal and storage of raw materials, noise emissions, air and water discharges; on the storage, handling, discharge and disposal of chemicals, employee exposure to hazardous substances and other aspects of our operations. For example, laws in India limit the amount of hazardous and pollutant discharge that our manufacturing facilities may release into the air and water. The discharge of substances that are chemical in nature or of other hazardous substances into the air, soil or water beyond such limits may cause us to be liable to regulatory bodies and incur costs to remedy the damage caused by such discharges. Further, any accidents at our facilities may result in personal injury or loss of life of our employees, contract labourers or other people, substantial damage to or destruction of property and equipment resulting in the suspension of operations. Any of the foregoing could subject us to litigation, which may increase our expenses in the event we are found liable and could adversely affect our reputation. Additionally, the government or the relevant regulatory bodies may require us to shut down our facilities, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to customers.

The adoption of stricter health and safety laws and regulations, stricter interpretations of existing laws, increased governmental enforcement of laws or other developments in the future may require that we make additional capital expenditures, incur additional expenses or take other actions in order to remain compliant and maintain our current operations. Complying with, and changes in, these laws and regulations or terms of approval may increase our

compliance costs and adversely affect our business, prospects, results of operations and financial condition.

We are also subject to the laws and regulations governing relationships with employees in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits. There is a risk that we may inadvertently fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay or non-renewal in receipt of regulatory approvals for our products. We cannot assure you that we will not be involved in future litigation or other proceedings or be held liable in any litigation or proceedings including in relation to safety, health and environmental matters, the costs of which may be significant.

19. *We have incurred substantial indebtedness which exposes us to various risks which may have an adverse effect on our business and results of operations. We may also be unable to obtain future financing to fund our operations, expected capital expenditure and working capital requirements on favourable terms, or at all.*

As of March 31, 2022 and September 30, 2022, we have ₹ 4,574.22 Lakhs secured loans and ₹ 2,701.21 lakhs (excluding non-fund based) respectively, on our balance sheet. We further had ₹ 2,727.07 lacs and ₹ 3,028.10 lakhs of unsecured loans from our promoters and members of the promoter group. Our level of indebtedness has important consequences to us, such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;
- limiting our ability to borrow more money both now and in the future; and
- increasing our interest expenditure and adversely affecting our profitability, since almost all of our debt bears interest at floating rates.

If any of these risks were to materialise, our business and results of operations may be adversely affected. Our business requires funding for capital expenditure and working capital requirements. The actual amount and timing of future capital expenditure may depend on several factors, among others, new opportunities, availability of land, regulatory approvals, regulatory changes, economic conditions, technological changes and market developments in our industry. Our sources of additional funding, if required, to meet our capital expenditure may include the incurrence of debt or the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. In case there is insufficient cash flow to meet our working capital requirement, or we are unable to arrange the same from other sources or there is delay in disbursement of arranged funds, or there is any increase in interest rate on our borrowings, it may adversely affect our operations and profitability. These factors may result in an increased amount of short-term borrowings. Continuous increase of our working capital requirements may have an adverse effect on our results of operations and financial condition.

Further our ability to arrange for additional funds on acceptable terms is subject to a variety of uncertainties, including future results of operations, financial condition and cash flows; economic, political conditions and market scenario for our products; costs of financing, liquidity and overall condition of financial and capital markets in India; issuance of necessary business/government licenses, approvals and other risks associated with our businesses; and limitations on our ability to raise capital in capital markets and conditions of the Indian and other capital markets in which we may seek to raise funds. Any such inability to raise sufficient funds could have a material adverse effect on our business and results of operations.

20. *We face significant competition in our business from Indian sugar manufacturers, which may adversely affect our profitability.*

The sugar industry is highly competitive. Domestically, we compete with numerous small to medium size producers. Despite increased consolidation, the Indian sugar industry remains highly fragmented. Our major competitors in India are sugar mills based in the southern Indian state of Karnataka and competition from the sugar mills based in state of Maharashtra. Further, excess sugar stocks may be dumped by competitors from other states into the northern India region markets, leading to excess supply and price drop.

We also face substantial competition from potential competitors who may seek to manufacture the same or similar products as us in the particular area or competitors who are already manufacturing, distributing and selling products which we deal in. None of our registrations are granted exclusively to us and our competitors are free to seek registration for the products for which we hold registrations.

Additionally, we compete with existing sugar manufacturing units on the basis of portfolio of our by-product offerings, product traits, including quality consistency, lower rejection ratio, as well as based on price, reputation, customer service and customer convenience. Some of our competitors may be large multinational companies that have significantly greater resources and access than those available to us. If we are unable to compete effectively, including in terms of pricing or providing quality products, our market share may decline, which could have a material adverse effect on our results of operations and cash flows.

21. *Our operations are subject to risks relating to fraud, bribery, theft and corruption.*

While we maintain and regularly update IT and control systems, anti-corruption training program, codes of conduct, applicable KYC procedures and other safeguards, it may not be possible for us to detect or prevent every instance of fraud, bribery, theft and corruption in every jurisdiction in which our employees, agents, subcontractors or commercial partners are located. If adverse investigations or findings are made against us or our directors, officers, employees, commercial partners or third-party contractors are found to be involved in bribery or corruption or other illegal activity, this could result in criminal or civil penalties, including substantial monetary fines, against us which could damage our reputation and business.

22. *We have not commissioned an industry report for the disclosures made in the chapter titled “Industry Overview” and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.*

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled “Industry Overview” on page 56 of this Draft Letter of Offer. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which consents have not been obtained. We have not independently verified such data. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Letter of Offer. Further, the industry data mentioned in this Draft Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Letter of Offer in this context.

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

Legal proceedings or other actions may be initiated against us or any of our employees for acts and conduct of our employees which may occur due to various reasons including misconduct with customers. In the event of personal injuries, damage or other accidents suffered by our employees or our customers or other people, we could face claims alleging that we were negligent, provided inadequate training or supervision or be otherwise liable for the injuries. Our principal types of insurance coverage include standard insurance.

While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our businesses, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance which exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected. For further details on our insurance arrangements, see “Our Business – Insurance” on page 68 of this Draft Letter of Offer.

24. *Our Company has experienced insufficient capacity utilisation of our manufacturing unit in the past and may experience the same in the future as well, which could have an adverse impact on our business, results of operations and financial condition.*

We have experienced instances of insufficient capacity utilisation of our manufacturing unit in the past. The details of the capacity utilization of our manufacturing unit in the preceding three years has been provided below:

Sugar		
Financial Year	Installed Capacity	Percentage utilisation (%)
2019-20	2500 Tonnes Crushing Per Day	70.70%
2020-21	2500 Tonnes Crushing Per Day	74.61%
2021-22	2500 Tonnes Crushing Per Day	75.15%

Power		
Financial Year	Installed Capacity	Percentage utilisation (%)
2019-20	3.75 Mega watts	93.00%
2020-21	3.75 Mega watts	94.00%
2021-22	3.75 Mega watts	96.00%

We cannot assure you that we will not experience insufficient capacity utilisation in the future or that such instances would not adversely affect our business, results of operations and financial condition. For further details, please see “Our Business” on page 62 of this Draft Letter of Offer.

25. *Our Company has availed certain unsecured loans from one of our Promoters, Kalchuri Contractors Limited and Ananjay Construction and Contracts Private Limited which are callable in nature.*

As on September 30, 2022, our Company has outstanding unsecured loans aggregating to ₹ 3028.10 Lakhs, which have been extended by our promoter group companies, Kalchuri Contractors Limited and Ananjay Construction and Contracts Private Limited and our promoters Mr Jai Narain Chouksey and Ms Poonam Chouksey which may be recalled at any time. We cannot assure you that our Promoter will not demand repayment of unsecured loans extended to us. In the event, our Promoter seeks a repayment of the unsecured loans, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. However, we intend to repay a major portion of these unsecured loans from the proceeds of the rights issue.

26. *We engage contract labour for carrying out certain of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations.*

We appoint independent contractors who in turn engage on-site contract labour for performance of certain of our operations in our factory. Although we do not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements or other such difficulties in managing contract labour may have an adverse impact on our results of operations.

27. *We have relied on the affidavits provided by our promoters, directors and KMPs for their education qualifications and experience.*

None of our promoters, directors and KMPs including the Company Secretary and Chief Financial Officer have been able to provide their original certificates regarding their educational qualifications and their experience. We have relied on affidavits provided by the promoters, directors and the KMPs for the disclosure regarding their education qualifications and experience in this Draft Letter of Offer at page 78.

28. *We have relied on publicly available sources for the disclosures regarding our promoter group companies Yamini Vyapaar Private Limited and Marium Leasing and Investment Private Limited.*

We have not been able to get any declaration or information from our promoter group companies Yamini Vyapaar Private Limited and Marium Leasing and Investment Private Limited and have relied only on publicly available sources for all the disclosures in the Draft Letter of Offer.

29. *There have been qualifications in the secretarial audit report issued by our secretarial auditor in the past.*

During the financial years 2019-20 and 2020-21 our secretarial auditor has qualified the audit report by stating

that there have been certain non-compliances of the LODR Regulations. While no show cause notices have been received or any penalty has been levied on such non-compliances, the occurrence of such non-compliances or continued qualifications in the audit reports in future may impact our results of operations and financial position.

Risks related to India

30. Political, economic or other factors that are beyond our control may materially and adversely affect our business, operations, prospects or financial results.

We are incorporated in India, and all of our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our assets, the quality of our assets, and our ability to implement our strategy.

Any slowdown in the Indian economy or in the growth of the sectors we participate in or future volatility in global commodity prices could adversely affect our borrowers and contractual counterparties. This in turn could adversely affect our business and financial performance and the price of our Equity Shares.

Our business and financial condition could be impacted by certain factors, including the following:

- any slowdown in the Indian economy in the future;
- further increase in interest rates may adversely impact our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- fluctuations in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy as well as the valuation of the Indian Rupee, which may adversely affect our financial condition;
- political instability, resulting from a change in government or in economic, fiscal or economic liberalisation policies, may adversely affect economic conditions in India;
- any adverse fluctuations in global commodity prices;
- the occurrence of natural or man-made disasters or epidemic or pandemic such as COVID-19 may adversely affect economic conditions in India; and
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war may adversely affect the financial markets, which may impact our business, financial condition, results of operations and cash flows.

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

The outbreak, or threatened outbreak, of any severe epidemic caused due to viruses (particularly the COVID-19) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of the COVID-19 remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts. If any of our employees were suspected of contracting the COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of the COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession. The spread of the COVID-19 has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, partners, and suppliers. There is no certainty that such measures will be sufficient to

mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed.

The extent to which the COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact COVID-19 may have on our results and financial condition, but there can be no assurance that this analysis will enable us to avoid part or all of any impact from the spread of COVID-19 or its consequences, including downturns in business sentiment generally or in our sector in particular. The degree to which COVID-19 impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people.

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

Our audited summary statements of assets and liabilities as at March 31, 2022 and audited summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the Financial Year 2022 have been prepared in accordance with the Ind AS, read with the Ind AS Rules.

We have not attempted to quantify the impact of US GAAP, IFRS or any other system of accounting principles on the financial data included in this Draft Letter of Offer, nor do we provide a reconciliation of our financial statements to those of US GAAP, IFRS or any other accounting principles. US GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Audited Financial Information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

33. *Changing laws and regulations and legal uncertainties including their adverse application, may adversely affect our business.*

Our operations, profitability and cash flows could be adversely affected by any unfavourable changes in central and state-level statutory and/or regulatory requirements in connection with direct and indirect taxes and duties, including income tax, goods and service tax and/or by any unfavourable interpretation taken by the relevant taxation authorities and/or courts and tribunals. The GST has increased administrative compliance for Indian companies, which is a consequence of increased registration and form filing requirements.

The GAAR has been introduced to catch arrangements declared as “impermissible avoidance arrangements”, which is defined in the Income Tax Act as any arrangement, the main purpose of which is to obtain a tax benefit and which satisfies at least one of the following tests: (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length; (ii) results, directly or indirectly, in misuse, or abuse, of the provisions of the Income Tax Act; (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or (iv) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes. Once it is established that the main purpose of any part or step of the arrangement is to obtain tax benefit, the onus will be on the taxpayer to establish that obtaining a tax benefit was not the main purpose of the entire arrangement. If GAAR provisions are invoked, then the Indian tax authorities have wide powers, including the ability to deny a tax benefit or deny a benefit under a tax treaty.

Further, the Government has amended the Income Tax Act, to provide a lower corporate tax rate of 25% for domestic companies whose annual turnover or gross receipts did not exceed Rs.4 billion in the Financial Year 2018 to Financial Year 2019. Additionally, the Income Tax Act has also been amended to reduce the minimum alternate tax to 15%.

The Income Tax Act also provides an option to the domestic companies to pay a reduced statutory corporate income tax of 22.00% (exclusive of applicable health and education cess and surcharge), provided such companies

do not claim certain specified deduction or exemptions. In case a company has opted to pay the reduced corporate tax rate of 22.00% (exclusive of applicable health and education cess and surcharge), in such circumstances, the minimum alternate tax provisions would not be applicable.

34. *Any adverse application or interpretation of the Competition Act could adversely affect our business.*

The Competition Act, 2002, as amended (the “**Competition Act**”), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and results in the imposition of substantial monetary penalties. Further, any agreement among competitors which directly or indirectly: (i) involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services; (ii) shares the market or source of production or provision of services by way of allocation of geographical area, type of goods or services or number of customers in the relevant market; or (iii) results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, the Competition Commission of India (Procedure in regard to the Transaction of Business Relating to Combinations) Regulations, 2011, as amended, set out the mechanism for implementation of the merger control regime in India. The CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, we cannot predict the impact of the provisions of the Competition Act on the agreements entered into by it at this stage.

If we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any award passed by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial condition, cash flows and results of operations.

35. *Any adverse change in India's credit rating by an international rating agency could materially adversely affect our business and profitability.*

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating improved from Baa3 with a “negative” outlook to Baa3 with a “stable” outlook by Moody's in October 2021 and was improved from BBB with a “negative” outlook to BBB with a “stable” outlook by Fitch in June 2022; and from BBB to BBB “low” by DBRS in May 2021. India's sovereign rating from S&P is BBB- with a “stable” outlook. Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for reasons beyond our control such as, upon a change of government tax or fiscal policy could adversely affect our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of the Equity Shares.

36. *Investors may have difficulty enforcing foreign judgments in India against us or our management.*

Our Company is incorporated in India and all of our directors and our Key Managerial Personnel are residents of India, with all of our assets located in India. As a result, it may not be possible for investors outside of India to effect service of process on our Company or such persons from their respective jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India predicated upon our civil liabilities or such persons under laws other than Indian Law. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgements if it viewed the amount of damage as excessive or inconsistent with the Indian Public Policy.

Recognition and enforcement of foreign judgments is provided for under Section 13 of the Code of Civil Procedure, 1908 (“**Civil Code**”). India is not party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, which includes, the United Kingdom, Singapore, UAE, and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet

certain requirements of the Civil Code. The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in a reciprocating territory such as the United States, for civil liability, whether or not predicated solely upon the general securities laws of the United States, would not be enforceable in India under the Civil Code as a decree of an Indian court.

The United Kingdom, Singapore, UAE, and Hong Kong have been declared by the Government of India to be reciprocating territories for the purposes of Section 44A of the Civil Code. A judgement of court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the Civil Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court.

However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with the Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.

37. *Inflation in India may adversely affect our Company's business.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or entirely offset any increases in costs with increases in prices for our products. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the Government has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future. Periods of higher inflation may also slow the growth rate of the Indian economy.

Moreover, we report our financial statements in the Indian Rupee, and fluctuations in the value of the Indian Rupee that result from inflation, could adversely affect our results of operations and financial condition. Further, inflation could cause a rise in the price of transportation, wages or any other of our expenses. Also, a rise in interest rates will impact interest payable on any future debt, thus increasing the cost of new financing, increasing our interest expense and hindering our ability to implement our growth strategies. Such a rise in interest rates could materially and adversely affect our results of operations and financial condition.

Risks relating to the Equity Shares and this Issue

38. *Investors will be subject to market risks until the Equity Shares credited to the investors demat account are listed and permitted to trade.*

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in the Equity Shares will commence in a timely manner.

39. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.*

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncee(s) may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements.

40. *Any future issuance of Equity Shares, or convertible securities or other equity linked securities by our Company and sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares.*

Any future issuance of our Equity Shares by us, could dilute your shareholding. Any such future issuance of our Equity Shares or the sales of our Equity Shares by any of our significant shareholders may also adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. We cannot assure you that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber their 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.

41. *SEBI has streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars, and in this Draft Letter of Offer.*

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has been introduced by SEBI in 2020. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Rights Issue Circulars and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. Further, while in accordance with the SEBI Rights Issue Circulars, the credit of Rights Entitlements shall be made into the demat accounts of the Eligible Equity Shareholders as on the Record Date, such Eligible Equity Shareholders shall be participating in the Issue only in accordance with the applicable laws in their respective jurisdictions. SEBI, vide circular dated May 19, 2022, has changed the minimum time period between closure of trading of Rights Entitlements on the stock exchange platform and closure of the rights issue to at least three working days. For details, see "*Terms of the Issue*" on page 155.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, "[●]") opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are

unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned, reversed or failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

42. *No market for the Right Entitlements may develop and the price of the Right Entitlements may be volatile.*

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchanges during the Renunciation Period or that there will be sufficient liquidity in Rights Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others. Factors affecting the volatility of the price of the Equity Shares, as described herein, may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse impact on the trading price of the Rights Entitlements. Since the trading of the Rights Equity Shares will be on a separate segment compared to the Equity Shares on the floor of the Stock Exchanges, the trading of Rights Equity Shares may not track the trading of Equity Shares. The trading price of the Rights Entitlements may be subject to greater price fluctuations than that of the Equity Shares.

43. *The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form may lapse in case they fail to furnish the details of their demat account to the Registrar.*

In accordance with the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the credit of Rights Entitlement and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Eligible Equity Shareholders holding Equity Shares in physical form (the “**Physical Shareholders**”) shall be credited in a suspense escrow demat account (namely, “[●]”) opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

44. *Investors may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares and Equity Shares Rights Entitlements.*

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares. The Finance Act, 2019 has clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments came into effect from July 1, 2020.

Further, the Finance Act, 2022, which received the assent of the President of India on March 30, 2022, has, among other things, provided a number of amendments to the direct and indirect tax regime. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations could adversely affect our business. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

45. *The Equity Shares may experience price and volume fluctuations, volatility in the global securities market may cause the price of the Equity Shares issued to decline and movement in the exchange rate could adversely affect the value of our Equity Shares, independent of our operating results.*

The price of the Equity Shares may fluctuate as a result of several factors, including volatility in the Indian and global securities markets, movement in exchange rates and interest rates in India, the results of our operations, the performance of our competitors, developments in the Indian renewable energy sector and changing perceptions in the market about investments in the Indian renewable energy sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's renewable energy policies, including those of the Ministry of New and Renewable Energy, Government of India, significant developments in India's fiscal regulations and any other political or economic factors. Negative economic developments, such as rising fiscal or trade deficits, or a default on sovereign debt, in other emerging market countries may affect investor confidence, cause increased volatility in Indian securities markets, and indirectly affect the Indian economy in general causing a decline in the trading price of our Equity Shares for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders. The exchange rate between the Rupee and the U.S. dollar has changed substantially in the last two decades and could fluctuate substantially in the future, which may adversely affect the value of our Equity Shares and returns from our Equity Shares, independent of our operating results.

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

Our Articles of Association and Indian law govern our corporate affairs. Legal principles relating to these matters and the validity of corporate procedures, Directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a corporate entity in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as one of our shareholders than as a shareholder of a bank or corporate entity in another jurisdiction. In accordance with the provisions of the Companies Act, the voting rights of an equity shareholder in a company shall be in proportion to the share of a person in the paid-up equity share capital of that company.

47. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.*

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of the Rights Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as may be prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, cash flows, financial condition, or results of operation, or other events affecting the Applicant's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the Allotment Date. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares.

The Applicants will not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the Shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the Shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

48. *Our Company will not distribute this Letter of Offer, the Rights Entitlement Letter, the Application Form and other Issue related materials to certain categories of overseas Equity Shareholders.*

We will not distribute this Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter (together, the “**Issue Materials**”) to overseas Shareholders who have not provided an address in India for service of documents. The Issue Materials will be sent/ dispatched only to the Eligible Equity Shareholders who have provided an Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Application Form, the Rights Entitlement Letter and other Issue Materials will be sent only to their valid e-mail address. Further, this Letter of Offer will be sent/ dispatched only to overseas Shareholders who qualify as the Eligible Equity Shareholders who have provided an Indian address and who have made a request in this regard. In the event that e-mail addresses of the Eligible Equity Shareholders are not available with us or the Eligible Shareholders have not provided valid e-mail addresses to us, we will dispatch the Application Form and other applicable Issue materials by way of physical delivery as per the applicable laws to those Eligible Equity Shareholders who have provided their Indian address. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in overseas jurisdictions. Investors can also access this Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Lead Manager and the Stock Exchanges.

However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act and the rules made thereunder with respect to distribution of the Issue materials in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdictions. However, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act and may subject us to fines or penalties.

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

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are permitted (subject to certain exceptions) if they comply with, among other things, the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares does not comply with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate any such foreign currency from India will require a no-objection or a tax clearance certificate from the income tax authority. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms, or at all.

Additionally, the Government may impose foreign exchange control restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Government’s approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms, or at all.

SECTION IV - INTRODUCTION

THE ISSUE

The Issue has been authorised by way of resolution passed by our Board on August 13, 2022, pursuant to section 62(1)(a) of the Companies Act, 2013 and other applicable provisions. The following is a summary of this Issue and should be read in conjunction with and is qualified entirely by the information detailed in the chapter titled “*Terms of the Issue*” on page 155 of this Letter of Offer.

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in “*Terms of the Issue*” on page 155.

Rights Equity Shares being offered by our Company	Up to [●] Rights Equity Shares
Rights Entitlement for the Rights Equity Shares	[●] Rights Equity Share for every [●] Equity Shares held on the Record Date
Record Date	[●]
Face Value per Equity Share	₹5 each
Issue Price	₹[●] per Rights Equity Share (including a premium of ₹[●] per Rights Equity Share). On Application, Investors will have to pay ₹ [●] per Rights Equity Share, which constitutes 100% of the Issue.
Issue Size	Upto [●] Equity Shares of face value of ₹ 5 each for cash at a price of ₹ [●] per Rights Equity Share up to an amount of ₹ 2,950.00 Lakhs
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank <i>pari-passu</i> in all respects with the Equity Shares of our Company.
Fractional Entitlement	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in multiples of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
Equity Shares issued, subscribed and paid up and outstanding prior to the Issue	9,01,79,982 Equity Shares issued subscribed and paid-up. For details, please see “Capital Structure” on page 43
Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Equity Shares)	Up to [●] Equity Shares
Security Codes for the Equity Shares, Rights Equity Shares.	ISIN for Equity Shares: INE295Z01015 BSE Code: 541347
ISIN for Rights Entitlements	[●]
Terms of the Issue	For details, please see “ <i>Terms of the Issue</i> ” on page 155
Use of Issue Proceeds	For details, please see “ <i>Objects of the Issue</i> ” on page 49

GENERAL INFORMATION

Our Company was originally incorporated as 'Parvati Sweetners and Power Private Limited' at Indore, Madhya Pradesh on December 13, 2011 as a private limited company under the Companies Act, 1956 and a Certificate of Incorporation was issued by the Registrar of Company, Madhya Pradesh at Gwalior. Subsequently, our Company was converted to public limited company pursuant to a special resolution passed in the General Meeting of our Shareholders dated January 12, 2012 and the name of our Company was changed to "Parvati Sweetners and Power Limited" and a fresh Certificate of Incorporation was granted by the Registrar of Companies, Madhya Pradesh at Gwalior on January 24, 2012. Our CIN is L15421MP2011PLC027287.

Changes in the registered office of our Company

Except as disclosed below, there has been no change in the address of the registered office of our Company since the date of incorporation:

Date of change	Details of change in the registered office
24.09.2012	Change of the registered office address from P105-108, Metro Tower, Vijay Nagar, A B Road, Indore – 452 010, Madhya Pradesh to 602, B-Block, Vishal Tower, Indira Complex, Navlakha, Indore – 452 009, Madhya Pradesh
01.10.2014	Change of the registered office address from 602, B-Block, Vishal Tower, Indira Complex, Navlakha, Indore – 452 009, Madhya Pradesh to 19/1 Naroli Arcade, First Floor, Manorama Ganj, Near Palasia Square, Indore – 452 010, Madhya Pradesh
29.09.2018	Change of the registered office address from 19/1 Naroli Arcade, First Floor, Manorama Ganj, Near Palasia Square, Indore – 452 010, Madhya Pradesh to Hall No: 2, Gomantika Parisar, Shopping Complex, Jawahar Chowk, Bhopal – 462003, Madhya Pradesh

Registered Office and Corporate Office of our Company

Parvati Sweetners And Power Limited

Hall No: 2, Gomantika Parisar, Shopping Complex,
Jawahar Chowk, Bhopal - 462003.
Madhya Pradesh, India
Tel: + +91 755 4009254
Email : info@parvatisweetners.com
Website: www.parvatisweetners.co.in
CIN: L15421MP2011PLC027287

Registrar of Companies

Our Company is registered with the Registrar of Companies, Madhya Pradesh at Gwalior at the following address:

3rd Floor, A Block,
Sanjay Complex,
Jayendra Ganj, Gwalior
Madhya Pradesh, India
Tel: 0751 – 2321907
Fax : 0751 – 2331853
Email: roc.gwalior@mca.gov.in

Board of Directors of our Company

Set forth below are the details of our Board of Directors as on the date of this Draft Letter of Offer:

Name	Age	Designation	Address	DIN
Ms. Poonam Chouksey	66	Chairman and Managing Director	H.No 31, Shamla Hills, Bharat Bhavan Road, Bhopal, Madhya Pradesh 462 002	02110270
Mr. Anupam	43	Executive Director	H.No 31, Shamla Hills, Bharat	02110273

Name	Age	Designation	Address	DIN
Chouksey			Bhavan Road, Bhopal, Madhya Pradesh 462 002	
Ms. Pooja Shree Chouksey	32	Non-Executive Non-Independent Director	H.No 31, Shamla Hills, Bharat Bhavan Road, Bhopal, Madhya Pradesh 462 002	07575058
Mr. Rohit Bhatnagar	31	Independent Director	A-303, Yashodha Parisar, Kolar Road, Opposite Bhima Kunj, Bhopal, Madhya Pradesh – 462 042	08232760
Mr. Vineet Richhariya	51	Independent Director	B-79, Raisen Road, Siddarth, Lake City, Anand Nagar, Bhopal, Piplani, Madhya Pradesh – 462 021	08277328
Mr. Kuldeep Mudgal	51	Independent Director	234, 2C, Saket Nagar, Habibganj Hujir, Bhopal, Madhya Pradesh – 462 024	08608624

For detailed profile of our Directors, please refer to the chapter titled “*Our Management*” on page 70.

Chief Financial Officer

Mr Vishal Shivhare is the CFO of our Company. His contact details are:

Hall No: 2, Gomantika Parisar,
Shopping Complex,
Jawahar Chowk, Bhopal - 462003.
Madhya Pradesh, India
Tel.: +91 755 4009254
Email: info@parvatisweetners.com

Company Secretary and Compliance Officer

Ms. Mohita Ramsariya is the Company Secretary and Compliance Officer of our Company. Her contact details are:

Hall No: 2, Gomantika Parisar,
Shopping Complex,
Jawahar Chowk, Bhopal - 462003.
Madhya Pradesh, India.
Tel.: +91 755 4009254
Email: info@parvatisweetners.com

Details of Key Intermediaries pertaining to this Issue:

Registrar to the Company

Link Intime India Private Ltd.
C 101, 1st Floors, 247 Park,
Lal Bahadur Shastri Marg, Vikhroli (West),
Mumbai-400083, Maharashtra, India
Phone: 022- 49186000, Fax: 022-49186060
Email: mumbai@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms Shanti Gopalkrishnan
SEBI Registration Number: INR000004058

Registrar to the Issue

Purva Sharegistry (India) Private Limited.
Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate,
J. R. Boricha Marg, Lower Parel East,
Mumbai – 400011, Maharashtra,
Contact Details: +91-22-2301 6761/ 8261

Email Address: support@purvashare.com;
Website: www.purvashare.com;
Contact Person: Ms. Deepali Dhuri;
SEBI Registration Number: INR000001112

Legal Advisor to the Issue

M/s Zastriya

Attorneys & Legal Consultants
37/38, 3rd Floor, Landmark Tower,
Link Road, Mithchowki,
Malad (West), Mumbai - 400064
Maharashtra, India

Tel. No.: +91 9920120018 / 9920239759

Email: nishant.rana@zastriya.in; chinmayee.ghag@zastriya.in

Contact Person: Nishant Rana / Chinmayee Ghag

Statutory and Peer Review Auditor of our Company

M/s. Khare Pamecha & Co.,

(Chartered Accountants)

M-343, Gautam Nagar

Housing Board Colony

Bhopal – 462 023

Madhya Pradesh, India

Contact Details: +917554280476

Contact Person: Mr Sumit Shastri

Firm Registration Number: 006067C

Peer Review Certificate Number: 013188

Bankers to the Issue/ Refund Bank

[•]

The Banker to the Issue/ the Refund Bank shall be appointed prior to filing of the Letter of Offer.

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

Inter-se Allocation of Responsibilities

Since no lead manager is appointed, there is no inter-se allocation of responsibilities.

Expert Opinion

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

Our Company has received written consent dated from November 21, 2022 the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Letter of Offer as an “Expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) Restated Audit Report dated November 21, 2022 on our Financial Statements for the financial years ended March 31, 2022, March 31, 2021 and March 31, 2020, and (ii) Statement of Special Tax Benefits dated November 21, 2022 in this Draft Letter of Offer and such

consent has not been withdrawn as on the date of this Draft Letter of Offer. However, the term “Expert” shall not be construed to mean an “Expert” as defined under the Securities Act, 1933.

Investor grievances

Investors may contact the Company Secretary and Compliance Officer for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment/ share certificates/ demat credit/ Refund Orders, etc.

Investors are advised to contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre- Issue or post-Issue related problems such as non-receipt of Abridged Letter of Offer/ Application Form and Rights Entitlement Letter/ Letter of Allotment, Split Application Forms, Share Certificate(s) or Refund Orders, etc. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the applicant, ASBA Account number and the Designated Branch of the SCSBs, number of Equity Shares applied for, amount blocked, where the Application Form and Rights Entitlement Letter or the plain paper application, in case of Eligible Equity Shareholder, was submitted by the ASBA Investors through ASBA process.

Credit Rating

As this is a Rights Issue of Equity Shares, credit rating is not required.

Debenture Trustees

As this is a Rights Issue of Equity Shares, the appointment of Debenture trustees is not required.

Monitoring Agency

Since the size of the issue is less than Rs.10,000 lacs, under Regulation 82 of the SEBI ICDR Regulations, a monitoring agency is not required to be appointed by our Company.

Filing

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with the Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

Changes in Auditors during the last three years

There has been no change in the statutory auditors of our Company during the three years immediately preceding the date of this Draft Letter of Offer.

Underwriting Agreement

This Issue is not underwritten, and our Company has not entered into any underwriting arrangement.

Issue Schedule

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Event	Indicative Date
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights	[●]
Issue Closing Date*	[●]

**The Board of Directors or the Rights Issue Committee will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.*

The above schedule is indicative and does not constitute any obligation on our Company

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two (2) Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, [●] .

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Neither our Company nor the Registrar to the Issue will be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. For details on submitting Application Forms, see “*Terms of the Issue*” on page 155.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the amount paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue

Minimum Subscription

In accordance with Regulation 86(1) of the SEBI ICDR Regulations, our Company is required to achieve minimum subscription for the Rights Issue as all our promoters and promoter group entities have not given their consent by way of an undertaking to subscribe to their Rights Entitlement. For further details, please refer title ‘Intention and extent of participation by our Promoters and Promoter Group’ on page 16 of this Draft Letter of Offer.

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Letter of Offer and after giving effect to the Issue is as given below:

		<i>Amount (in ₹)</i>	
S. No.	Particulars	Aggregate value at nominal value	Aggregate value at Issue Price
A.	Authorised Share Capital		
	15,00,00,000 Equity Shares of face value of ₹ 5 each	75,00,00,000	-
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	9,01,79,982 Equity Shares of face value of ₹ 5 each	45,08,99,910	-
C.	Present Issue in terms of this Letter of Offer⁽¹⁾		
	Up to [●] Equity Shares of ₹ 5/- each	[●]	29,50,00,000
D.	Issued Capital after the Issue		
	[●]* Equity Shares of face value of ₹ 5 each	[●]	-
E.	Subscribed and Paid-Up Share Capital after the Issue		
	[●] Equity Shares of face value of ₹ 5 each	[●]	-
F.	Securities Premium Account		
	Before the Issue		15,67,17,500
	After the Issue		[●]

⁽¹⁾The present Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on August 13, 2022 pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act, 2013.

* Assuming full subscription

NOTES TO CAPITAL STRUCTURE

1. Details of outstanding instruments as on the date of this Draft Letter of Offer:

There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Letter of Offer. Further, our Company does not have any employee stock option scheme or employee stock purchase scheme.

2. Intention and extent of participation by our Promoters and Promoter Group in the Issue:

Pursuant to letter dated October 13, 2022, Mr Jai Narain Chouksey, Ms Poonam Chouksey and Mr Anupam Chouksey. (“**Subscription Letter**”), have confirmed that they along with Kalchuri Contractors Limited and Ananjay Construction and Contracts Private Limited, two entities belonging to the promoter group of our Company, will subscribe, jointly and / or severally, (a) to the full extent of their Rights Entitlements, any rights entitlement renounced in their favour by other promoters or members of the promoter group and (b) to any unsubscribed portion in the proposed rights issue. Mr Khuro Nisar, promoter and other members of the promoter group Mr. Mukesh Kumar, Ms. Munni Bee, Mr. Mehmood Khan, Mr. Yusuf Khan, Mr. Farzana Khusro, Mr. Anis Khan, Mr. Nadeem Khan and Mr Khuro Nisar including Promoter Group entities i.e. Marium Leasing and Investment Pvt. Ltd and Yamini Vyapaar have not given any undertaking and will not subscribe to their rights entitlement, any shares renounced in their favour or to any unsubscribed shares in the rights issue. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares

(including any unsubscribed portion of the Issue) is exempt in terms of Regulation 10(4)(b) of the Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations.

The additional subscription by the promoters shall be made subject to such additional subscription not resulting in the minimum public shareholding of the issuer falling below the level prescribed in Regulation 38 of LODR/ SCRR. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Kalchuri Contractors Limited, Ananjay Construction and Contracts Private Limited, Ms Poonam Chouksey and Mr Jai Narain Chouksey has *vide* their letter dated October 13, 2022 confirmed that an amount of ₹ 3,028.10 lakhs as on September 30, 2022, which has been identified as the part of the unsecured loans which have to be repaid to the promoters through this Issue, shall be adjusted towards the application money to be received by the Company from the promoters / promoter group for the subscription to the Rights Equity Shares to be allotted in this Issue, from the promoters / promoter group, to the extent of their entitlement, renunciation of entitlement made in their favour by the members of Promoter Group (if any) as well as Additional Rights Equity Shares to be applied for by them for in the unsubscribed portion, (in part or full, as the case may be) in the Issue. Consequently, no fresh Issue proceeds would be received by our Company to the extent of the subscription by the promoters.

3. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹ [●]/- per equity share.
4. At any given time, there shall be only one denomination of the Equity Shares of our Company.
5. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer.
6. Shareholding Pattern of our Company as per the last filing with the Stock Exchange:
 - (i) *The summary statement of the shareholding pattern of our Company as on September 30, 2022 is as follows:*

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total No. of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (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) (a)	Shareholding as a % assuming full conversion of convertible securities (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	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)	
(A)	Promoter and Promoter Group	8	4,63,24,320	0	0	4,63,24,320	51.37	4,63,24,320	4,63,24,320	51.37	0	0	0	0	0	0	4,63,24,320
(B)	Public	8091	4,38,55,662	0	0	4,38,55,662	48.63	4,38,55,662	4,38,55,662	48.63	0	0	0	0	0	0	4,36,83,816
(C)	Non Promoter-Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C1)	Shares underlying depository receipts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares held by employee trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total		8099	9,01,79,982	0	0	9,01,79,982	100.00	9,01,79,982	9,01,79,982	100.00	0	0	0	0	0	0	9,00,08,136

(ii) The statement of the shareholding pattern of our Company as on September 30, 2022 is as follows:

Category of Shareholder	No. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
(A) Promoter & Promoter Group	8	4,63,24,320	4,63,24,320	51.37	4,63,24,320	51.37	4,63,24,320
(B) Public	8091	4,38,55,662	4,38,55,662	48.63	4,38,55,662	48.63	4,36,83,816
Grand Total	8099	9,01,79,982	9,01,79,982	100.00	9,01,79,982	100.00	9,00,08,136

(iii) Statement showing holding securities of persons belonging to the category Promoters and Promoter Group” as at September 30, 2022:

Category of Shareholder	No. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
A1) Indian							
a. Individuals/ HUFs	4	52,15,248	52,15,248	5.78	52,15,248	5.78	52,15,248
Jai Narain Chouksey		30,03,022	30,03,022	3.33	30,03,022	3.33	30,03,022
Poonam Chouksey		12,84,178	12,84,178	1.42	12,84,178	1.42	12,84,178
Anupam Chouksey		9,27,605	9,27,605	1.03	9,27,605	1.03	9,27,605
Khusro Nisar		443	443	0.00	443	0.00	443
b. Body Corporates	4	4,11,09,072	4,11,09,072	45.59	4,11,09,072	45.59	4,11,09,072
Kalchuri Contractors Limited		2,26,74,752	2,26,74,752	25.14	2,26,74,752	25.14	2,26,74,752
Ananjay Construction and Contract Private Limited		1,13,98,061	1,13,98,061	12.64	1,13,98,061	12.64	1,13,98,061
Yamini Vyapaar Private Limited		69,60,000	69,60,000	7.72	69,60,000	7.72	69,60,000
Marium Leasing and Investment Private Limited		76,259	76,259	0.08	76,259	0.08	76,259
Sub- total of A1	8	4,63,24,320	4,63,24,320	51.37	4,63,24,320	51.37	4,63,24,320
A2) Foreign							
Sub-total of A2	-	-	-	-	-	-	-
A= A1+ A2	8	4,63,24,320	4,63,24,320	51.37	4,63,24,320	51.37	4,63,24,320

(iv) Statement showing holding of securities of persons belonging to the “public” category as on September 30, 2022:

Category of Shareholder	No. of Shareholders	No. of fully paid up Equity Shares held	Total no of Equity Shares held	Shareholding as a % of total no. of Equity Shares (Calculated as per SCRR, 1957) As a% of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	Number of Equity Shares held in dematerialized form
B1) Institutions							
Foreign Portfolio Investors	0	0	0	0	0	0	0
B2) Central Government/ State Government(s)/ President of India	0	0	0	0	0	0	0
Sub Total B2	-	-	-	-	-	-	-
B3) Non-Institutions							
Individual share capital upto ₹ 2 Lakhs	7,821	62,43,623	62,43,623	6.92	62,43,623	6.92	60,71,880
Individual share capital in excess of ₹. 2 Lakhs	70	3,58,99,234	3,58,99,234	39.81	3,58,99,234	39.81	3,58,99,234
Key Managerial Personnel	1	2,73,620	2,73,620	0.30	2,73,620	0.30	2,73,620
IEPF	1	31,234	31,234	0.03	31,234	0.03	31,234
Trusts	-	-	-	-	-	-	-
HUF	125	7,90,799	7,90,799	0.88	7,90,799	0.88	7,90,799
Non-Resident Indian (NRI)	27	51,996	51,996	0.06	51,996	0.06	51,996
Clearing Members	10	20,642	20,642	0.02	20,642	0.02	20,642
Bodies Corporate	36	5,44,514	5,44,514	0.60	5,44,514	0.60	5,44,511
Sub-total B3	8091	4,38,55,662	4,38,55,662	48.63	4,38,55,662	48.63	4,36,83,816
B= B1+B2+B3	8091	4,38,55,662	4,38,55,662	48.63	4,38,55,662	48.63	4,36,83,816

- (v) *Details of shareholders of our Company holding 1% or more of the paid-up capital of the issuer as last disclosed to the stock exchanges: i.e. as on September 30, 2022*

S. No.	Name of the Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share Capital
1.	Kalchuri Contractors Limited	2,26,74,752	25.14
2.	Ananjay Construction and Contracts Private Limited	1,13,98,061	12.64
3.	Parth Suryavanshi	80,00,000	8.87
4.	Vijay Suryavanshi	79,99,975	8.87
5.	Yamini Vyapaar Private Limited	69,60,000	7.72
6.	Jai Narain Chouksey	30,03,022	3.33
7.	Yogesh Kumar Chouksey	22,08,674	2.45
8.	Poonam Chouksey	12,84,178	1.42
9.	Jitendra Singh Rawat	11,20,020	1.24
10.	Kumar Gaurav	10,30,927	1.14
11.	Anupam Chouksey	9,27,605	1.03

- (vi) *Details of shares locked-in, pledged, encumbrance by the Promoters and the Promoter Group:*

As on date of this Draft Letter of Offer none of the shares held by the promoters and the promoter group is locked-in or pledged / encumbered.

- (vii) *Details of shares acquired by Promoters and Promoter Group in the last one year immediately preceding the date of filing of this Draft Letter of Offer:*

S. No.	Name of the Promoter and Promoter Group	Number of shares acquired	Mode of Acquisition	Date
Nil				

7. Details of options and convertible securities outstanding as on the date of filing of this Draft Letter of Offer

There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of filing of this Draft Letter of Offer.

SECTION V – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The objects of the Issue are:

1. Repayment of Unsecured Loans availed from the Promoters and members of the Promoter Group
2. General corporate purposes.

(Collectively, referred to hereinafter as the “Objects”)

We intend to utilize the gross proceeds raised through the Issue (the “**Issue Proceeds**”) after deducting the Issue related expenses (“**Net Proceeds**”) for the abovementioned Objects.

The objects set out in the Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue and the activities for which the borrowings proposed to be prepaid in full or part from the Net Proceeds.

Details of objects of the Issue

The details of objects of the Issue are set forth in the following table:

(₹ in lakhs)	
Particulars	Amount
Gross Proceeds from the Issue	2,950.00
Less: Issue related expenses	[•]
Net Proceeds from the Issue	[•]

Requirement of Funds

The details of the Gross Proceeds are set forth in the following table:

(₹ in lakhs)	
Particulars	Amount
For the repayment of unsecured loan	2,850.00
General Corporate Purposes	[•]
Issue related expenses	[•]
Gross proceeds from the Issue	2950.00

Means of Finance

Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

Utilization of Net Proceeds

Our Company intends to utilize the Net Proceeds for the following objects:

(₹ in lakhs)		
Sr. No.	Particulars	Estimated Amount to be Utilised
1.	For the repayment of unsecured loan	2,850.00
2.	General Corporate Purposes	[•]
	TOTAL	[•]

Schedule of Implementation and Deployment of Funds

Our Company proposes to deploy the entire Net Proceeds towards the Objects as described herein during Fiscal 2022-23.

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the funds requirements described herein.

Details of the Objects of the Issue

1. *Repayment in full or part, of certain identified unsecured loans availed by our Company from promoter and members of the Promoter Group*

Our Company proposes to utilize an estimated amount of ₹[●] lakhs from the Net Proceeds of the Issue towards part repayment/prepayment, in full or in part, of certain identified unsecured loans availed by our Company from members of the Promoter Group.

The following table provides details of the relevant terms of the unsecured loans that have been availed by our Company from the members of the Promoter Group, out of which we may repay/prepay, in full or in part, any or all of its respective loans/facilities, without any obligation to pay/repay any particular lender in priority to the other:

(₹ in lakhs)					
Sr. No.	Name of the Lenders	Principal Amount availed and outstanding as on September 30, 2022	Repayment Terms	Purpose of the Loan*	Amount proposed to be repaid
1	Kalchuri Contractors Limited	837.44	On demand	To meet the working capital requirements	[●]
2	Ananjay Constructions and Contracts Limited	1,957.60	On demand	To meet the working capital requirements	[●]
3	Mr Jai Narain Chouksey	152.01	On demand	To meet the working capital requirements	[●]
4	Ms Poonam Chouksey	81.05	On demand	To meet the working capital requirements	[●]
Total		3028.10			

* Our Statutory auditors have provided a certificate dated November 21, 2022 confirming the amount outstanding as Unsecured Loan as on September 30, 2022.

Our Company intends to partly or fully repay or pre-pay ₹2,850 lakhs to the Promoter Group through this Issue, as per the details mentioned in the above table, and the said amount is proposed to be adjusted against the application money to be received by our Company, for the subscription to the Rights Equity Shares to be allotted in this Issue, from the members of Promoter Group, to the extent of their entitlement, renunciation of entitlement in favour of the members of Promoter Group (if any) as well as Additional Rights Equity Shares to be applied for by the members of Promoter Group (in part or full, as the case may be) in the Issue. Consequently, no fresh Issue proceeds would be received by our Company to such an extent from the promoters.

Our Promoter and our Promoter Group members have undertaken to: (a) subscribe, jointly and severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement renounced in their favour by any other Promoter or member of the Promoter Group; and (b) subscribe to, either individually or jointly, with the Promoter or member of the Promoter Group, for Additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of Additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempted in terms of Regulation 10(4)(b) of the SEBI Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations

and will continue to comply with the minimum public shareholding requirements pursuant to the Issue. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ [●]

Interest of Promoters and Directors in the objects of the Issue

Kalchuri Contractors Limited, Ananjay Construction And Contracts Private Limited, Mr Jai Narain Chouksey and Ms Poonam Chouksey *vide* their letter dated October 13, 2022 confirmed that an amount of ₹2,850.00 lakhs, which has been identified as the part of the unsecured loans which have to be repaid to them through this Issue, shall be adjusted towards the application money to be received by the Company, for the subscription to the Rights Equity Shares to be allotted in this Issue, from him, to the extent of his entitlement, renunciation of entitlement made in his favour by the members of Promoter Group (if any) as well as Additional Rights Equity Shares to be applied for by him for the unsubscribed portion, (in part or full, as the case may be) in the Issue. Consequently, no fresh Issue proceeds would be received by our Company to the extent of the subscription from the promoters.

2. General Corporate Purposes

In terms of Regulation 62 (2) of the SEBI ICDR Regulations, the extent of the Issue Proceeds proposed to be used for general corporate purposes shall not exceeding 25% of the Gross proceeds of the Issue. Our Board will have flexibility in applying the balance amount towards general corporate purposes, including repayment of outstanding loans, meeting our working capital requirements, capital expenditure, funding our growth opportunities, including strategic initiatives, meeting expenses incurred in the ordinary course of business including salaries and wages, administration expenses, insurance related expenses, meeting of exigencies which our Company may face in course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act.

Our management will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

Undertaking by our Promoter and Promoter Group

Our Promoter and our Promoter Group i.e. Mr Jai Narain Chouksey, Ms Poonam Chouksey, Mr Anupam Chouksey (“**Promoter**”), Kalchuri Contractors Limited and Ananjay Construction and Contracts Private Limited (“**Promoter Group**”) have undertaken to: (a) subscribe, jointly and severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement renounced in their favour by any other Promoter or member of the Promoter Group; and (b) subscribe to, either individually or jointly, with the Promoter or member of the Promoter Group, for Additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of Additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempted in terms of Regulation 10(4)(b) of the SEBI Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the SEBI Takeover Regulations. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ [●]. Mr. Mukesh Kumar, Ms. Munni Bee, Mr. Mehmood Khan, Mr. Yusuf Khan, Mr. Farzana Khusro, Mr. Anis Khan, Mr. Nadeem Khan and Mr Khusro Nisar including Promoter Group companies i.e., Marium Leasing and Investment Pvt. Ltd and Yamini Vyapaar Private Limited have however not given any such undertaking.

Interest of Promoters and Directors in the objects of the Issue

Our promoters are interested in the objects of the Issue to the extent of repayment of unsecured loan from the proceeds of the issue to the members of the Promoter group. No part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Promoter Group, Directors and Key Managerial Personnel of our Company.

Deployment of funds

Our Company proposes to deploy the entire Net Proceeds towards the objects as described herein during Fiscal 2023. However, if the Net Proceeds raised in Fiscal 2023 are not completely utilised for the objects stated above by Fiscal 2023 due to various factors beyond our control, such as market conditions, competitive environment, interest rate fluctuations and other commercial considerations, the same would be utilised (in part or full) in Fiscal 2024.

Issue Related Expenses

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses and registrar and depository fees. The estimated Issue related expenses are as follows:

Particulars	Amount (₹ in Lakhs)	As a percentage of total expenses	As a percentage of Issue size*#
Fees of the Bankers to the Issue, Registrar to the Issue, Legal Advisor, Auditor's fees, including out of pocket expenses etc.	[●]	[●]	[●]
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	[●]	[●]	[●]
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	[●]	[●]	[●]
Total estimated Issue expenses ^{*^}	[●]	[●]	[●]

^{*}Amount will be finalised at the time of filing of the Letter of Offer and determination of Issue Price and other details.

^{*} Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards General Corporate Purposes. All Issue related expenses will be paid out of the Gross Proceeds received at the time of receipt of the subscription amount to the Rights Issue.

[^]Excluding taxes

[#]Assuming full subscription

Bridge Financing Facilities

Our Company has not raised any bridge loan from any bank or financial institution as on the date of the Draft Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Interim use of Net Proceeds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors. Our Company confirms that pending utilization of the Net Proceeds towards the stated Objects of the Issue, our Company shall not use/deploy the Net Proceeds for any investment in the equity markets.

Monitoring of utilization of funds

Since the Issue is for an amount less than ₹ 10,000 lacs, in terms of Regulation 82 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of the Issue. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

As per the requirements of Regulations 18(3) read with Part C of Schedule II of the SEBI Listing Regulations, we will disclose to the Audit Committee the uses / application of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in the Letter of Offer and place it before the Audit Committee. The said disclosure shall be made till such time that the Gross Proceeds raised through the Issue have been fully spent. The statement shall be

certified by our Statutory Auditor.

Further, in terms of Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchange on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in the Letter of Offer. Further, this information shall be furnished to the Stock Exchange along with the interim or annual financial results submitted under Regulations 33 of the SEBI Listing Regulations and be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of Regulation 18 of the SEBI Listing Regulations.

Appraising entity

None of the objects of this Issue, for which the Net Proceeds will be utilized, have been appraised.

Strategic or financial partners

There are no strategic or financial partners to the Objects of the Issue.

STATEMENT OF TAX BENEFITS



Khare Pamecha & Co.
Chartered Accountants

M-343, Gautam Nagar, Bhopal - 462023 ☎ 0755-4280476

To,
The Board of Directors
Parvati Sweetners and Private Limited
Gomantika Parisar, Shopping Complex,
Jawahar Chowk,
Bhopal - 462003, Madhya Pradesh.

Subject: Statement of Special Possible Tax Benefits available to Parvati Sweetners and Power Limited and its shareholder

We report that the enclosed statement in the Annexures, states the possible special tax benefits under direct and indirect tax laws and Income tax Rules, 1962 including amendments made by the Finance Act, 2019 and the Taxation Laws (Amendment) Act, 2019 (hereinafter referred to as 'Income Tax Laws'), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended, the rules and regulations, circulars and notifications issued there under, Foreign Trade Policy presently in force in India, available to the Company and its shareholders. Several of these benefits are dependent on the Company, its shareholders as the case may be, fulfilling the conditions prescribed under the Act. Hence, the ability of the Company, its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its shareholders faces in the future, the Company, its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company, and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

The benefits discussed in the enclosed Annexures are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor advising the investor to invest in the Offer based on this statement.

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

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

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

For Khare Pamecha and Co.
Chartered Accountants (FRN: 006067C)

CA. Sumit Shastri
Partner
M. No. 161891

UDIN: 22161894BENFIW6014

Date: 21/11/2022

Place: Bhopal



Annexure - I

Statement of Special Tax Benefits Available to Parvati Sweetners and Power Limited (The "Company") And Its Shareholders

1. Under the Income-Tax Act, 1961 (hereinafter referred to as the 'Act')
 - a) Special tax benefits available to the Company under the Act - There are no special tax benefits available to the Company.
 - b) Special tax benefits available to the shareholders under the Act - There are no special tax benefits available to the shareholders of the Company.

Notes:

- i. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- ii. 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.
- iii. The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment years for which restatement is done.
- iv. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- v. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
- vi. 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.



SECTION VI – ABOUT THE COMPANY

INDUSTRY OVERVIEW

Indian Economy

The Indian economy showed a strong sign of recovery after numerous headwinds in recent past. During the fiscal Indian economy on account of successful mass vaccination was able to withstand the new omicron variant of covid-19. The Union Budget 2022-23, boosted the sentiments of the economy with its focus on growth and creating jobs by implementing sector focused PLI schemes. The supply chain disruptions are expected to pick-up going forward. The Indian GDP is expected to witness a growth of 9.1% (Moody's Investors Service) in 2022 and 5.4% in 2023. The Russia-Ukraine invasion, has impacted the inflation in the economy. The CPI inflation touched 6.1% in February 2022; largely on account of higher crude prices and power costs. The capital expenditure-led Budget, Reserve Bank of India's accommodative policy and diminutive damage on the Indian economy from the omicron wave have set the stage for GDP pickup.

Global Sugar Economy

The world sugar faced supply deficit from Brazil which is the major sugar exporter. However, the deficit is expected to diminish due to a better than expected sugar production in India. During previous sugar season the deficit was on account of lower output from Brazil and Thailand because of drought. The global sugar production is likely to reach 1705.10 lakh tonnes against previous production of 1690.30 lakh tonnes as per the estimate of International Sugar Organisations (ISO). As per ISO the production in Brazil is likely to revive during SS 2021/22. The higher Indian production will offset glitches in Thailand and China, where production is expected to be lower than expected. However the world sugar economy is likely to witness a balanced demand supply in SS 2021/22 on account of higher Indian output and ~7% (compared to previous year same period) higher output from Brazil, which expects a sugarcane crop of 5300 lakh tonnes in the new season and a sugar production of 323.10 lakh tonnes.

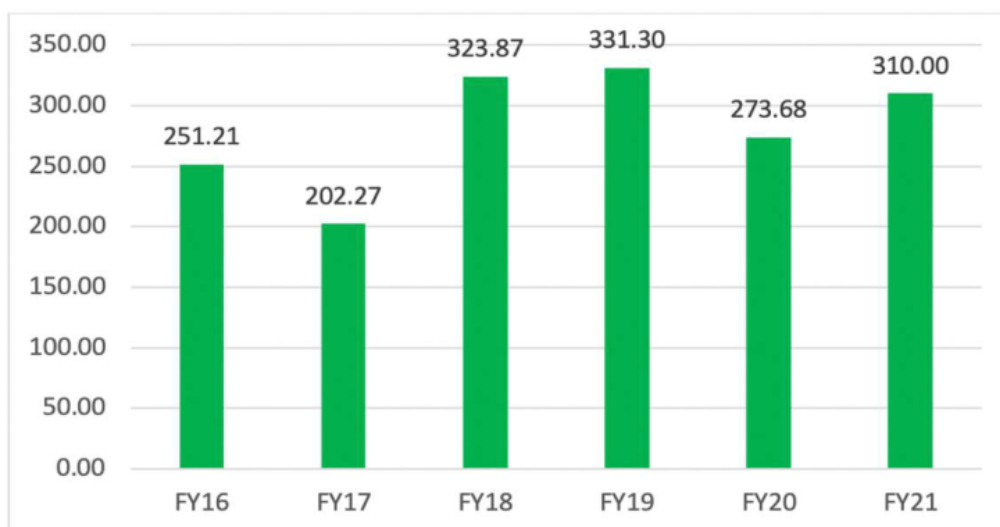
Sugar Industry in India

India is the largest consumer and the second largest producer of sugar in the world after Brazil. The sugar sector is an important agro-based sector that impacts the livelihood of about 5 crore sugar cane farmers and their dependents and around 5 lakh workers directly employed in sugar mills apart from those employed in various ancillary activities including farm labour and transportation. The sugar product for the sugar season calculated from September to October 2021 has been 310 metric tonnes (LMT) or 31 million tonnes.

According to the India Report (April 2021) by the Foreign Agricultural Service (FAS) USDA, India's centrifugal sugar production is estimated at 34.7 million metric tons (MMT) in marketing year (MY) 2021/2022 (October-September), increasing 3% above the previous season.

This forecast includes 600,000 metric tons (MT) of khandsari and 34,1 MMT of milled sugar (equivalent to 31.8 MMT of crystal white sugar). Sugar production in Uttar Pradesh has been revised downward to 11.3 MMT from the earlier forecast of 12.3 MMT due to reported pest and relatively higher diversion of stocks towards ethanol production. The production decline in Uttar Pradesh will be offset by gains in Maharashtra of 10.4 MMT, and Karnataka at 4.3 MMT that will maintain annual centrifugal sugar production at 31 MMT. India's on-going revival of closed and non-operational sugar mills in the states of Uttarakhand, Bihar, and Karnataka may also support additional sugar production.

Figure 1: Sugar Production (in lakh metric tonnes)



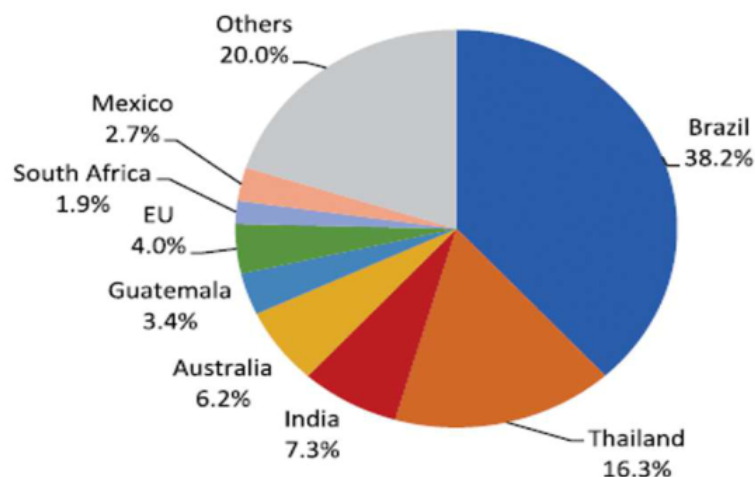
Source: Department of Food and Public Distribution, Annual Report (2020-21).
Available at <https://dfpd.gov.in/annual-report.htm>

Export-Import Scenario

According to All India Sugar Trade Association (AISTA) mills have exported a total of 5.11 million tonnes of sugar from January 1 till August 05, 2021. Of the total exports undertaken so far, maximum exports have been undertaken to Indonesia at 1.69 million tonnes so far, this his year, followed by Afghanistan 23,967 tonnes and the UAE at 4,60,816 tonnes and Sri Lanka at 3,78,280 tonnes. It is also important to know the major exporting and importing nations that control the demand supply of the world market. A snapshot of the same is given in the figures below:

Major Exporters

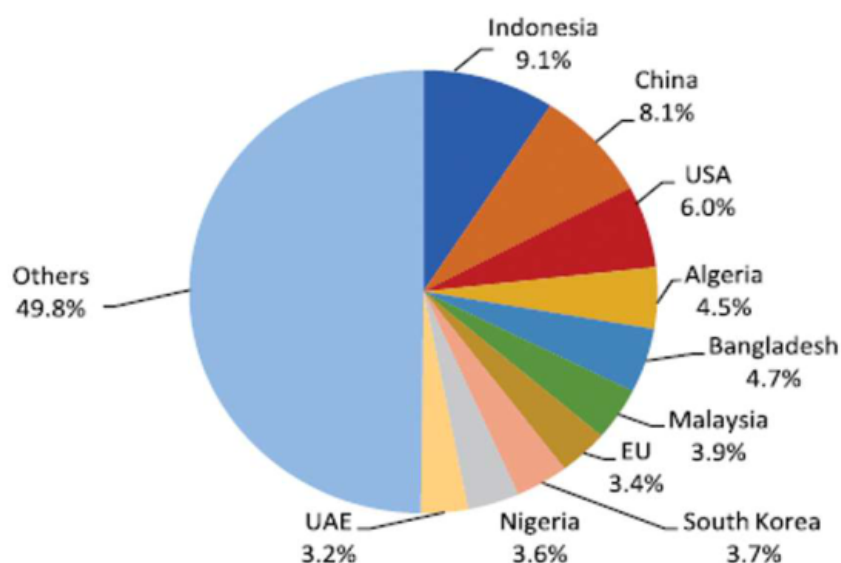
Figure 3: Major Exporters of Sugar Triennium Ending 2019-20



Source: Commission for Agricultural Costs and Prices (CACP 2021-22), Department of Agricultural Cooperation and Farmers Welfare, Ministry of Agricultural and Farmers Welfare.
Available at <https://cacp.dacnet.nic.in/KeyBullets.aspx?pid=41>

Brazil exports more than one – third of the total exports of sugar to the world. India being the second largest producer ranks 3rd behind Thailand in the share of total exports.

Figure 4: Major Importers of Sugar Triennium Ending 2019-20



Government Initiatives

The government has been largely supportive when it comes to the sugar industry from increasing Fair and Remunerative Price (FRP) to increasing Minimum Support Price (MSP) to promoting efficient ways of fuel production to the likes of ethanol. Some recent developments undertaken by the government include

- **Sugar Export Policy for Evacuation of Surplus Stocks during Sugar Season 2020-21**

With a view to facilitating export of sugar during the SS2021 thereby improving the liquidity position of sugar mills enabling them to clear cane price dues of farmers for sugar season 2020-21, the government of India (GoI) notified a scheme for providing assistance to sugar mills for expenses on export of 60 LMT of sugar to the extent of Maximum Admissible Export Quantity (MAEQ) for SS2021. Under the scheme, the government would be providing a lump sum assistance of ₹6000 per metric tonne to sugar mills to facilitate the export for which an estimated expenditure of ₹3500 crore would be borne by the government.

- **Diversion of Excess Sugar to Ethanol & Augmentation of Ethanol Production Capacity under Ethanol Blended with Petrol (EBP) Programme**

With surplus stock of roughly 60 LMT since the last three sugar seasons (with production of roughly 320 LMT compared to consumption of roughly 260 LMT), the excess supply created problems for the industry and affected the liquidity position of sugar mills and consequently affected the timely payment of cane price to the farmers. The Central Government, in its National Bio-fuels Policy, 2018, mandated for 10 per cent blending of ethanol into motor fuel by 2022 and 20 per cent by 2030. Due to these interventions, ethanol supply has almost reached from 38 crore litres (with 1.53 per cent blending with petrol) in 2013-14 to 172 crore litres (with 5 per cent blending with petrol) in 2019-20.

Planning has been done to supply 325 crore litres of ethanol (with estimated 8.5 per cent blending with petrol) in 2020-21. In this vein, for the current SS2021, more than 20 LMT of sugar is likely to be diverted towards ethanol production whereas in the next SS2022, about 35 LMT of sugar is estimated to be diverted towards the same, with a plan to divert about 60 LMT of sugar by 2024-25.

- **Fair and Remunerative Price (FRP)**

FRP for sugarcane has been revised for SS2022 at ₹290/quintal for a basic recovery rate of 10 per cent, providing a premium of ₹2.90/quintal for each 0.1 per cent increase in recovery over and above 10 per cent, & reduction in FRP by ₹2.90/quintal for every 0.1 per cent corresponding decrease. No deduction is to be made in case of sugar mills where recovery is below 9.5 per cent. In such case, farmers will get ₹275.50/quintal for sugarcane in ensuing SS2022 in place of ₹270.75/quintal in current SS2021

The Fair and Remunerative Price (FRP) is fixed by the GoI, based on the cost of production of sugarcane and an element of assured profit. From the above Figure (Figure 5), it can be observed that while the FRP was increased relatively substantially up to 2013-14, it has been again raised substantially from 2016-17 onwards until 2018-19, and as explained above in August 2021.

Industry Risk

- **Minimum Support Price (MSP) Hike**

The government has taken care of the interests of the sugarcane farmers but the concerns of the sugar mills also need to be addressed. The industry body Indian Sugar Mills Association (ISMA) has been pressurizing the government to increase the MSP for sugar to possibly ₹35/kg from the current ₹31/kg. The procurement of sugarcane which contributes 70-75 per cent of sugar mills costs has seen a continuous rise in its price. On the contrary, the MSP of sugar had remained static for more than 30 months (though FRP for cane was increased by ₹10 a quintal during the SS2021).

The increase in MSP, as per ISMA, would be adequate to cover the increase in cane FRP and cost of producing sugar. [6] The table below (Table 3) lays out the details of the ex-mill price received by the industry.

- **Trade-off between Ethanol Blending and Price Hike**

India is pushing for its cars to run on ethanol made from sugar and is planning to divert as much as 6 million tons of sugar towards it, an amount roughly equivalent to its sugar exports. A target for blending 20 per cent ethanol in gasoline by 2025 is set. The advantages range from reduced air pollution, reduced oil import bills, soaked domestic sugar glut and increased investment in rural areas. However, the government faces a risk of surge in sugar prices, thereby exacerbating inflationary pressures. India would like to avoid this situation because the macro-economy is already characterized by high inflation rates.

- **State Advised Price (SAP) or Fair and Remunerative Price (FRP)**

Some state governments announce the SAP higher than the FRP fixed by central government, which distorts sugarcane and sugar economy leading to cane price arrears. Tamil Nadu has discontinued announcing SAP from 2018-19 season whereas, Uttar Pradesh, Haryana, Punjab, and Uttarakhand announce SAP and it ranged from ₹300/quintal in Punjab to ₹335/quintal in Haryana compared to FRP of ₹275/quintal in 2019-20. The Commission for Agricultural Costs and Prices (CACP) [8] recommended doing away with the State Advised Price (SAP) by the state governments. But in case state governments continue with SAP, they should pay the difference between SAP and FRP directly to farmers through Direct Benefit Transfer. The report held: “The main reason for accumulation of cane price arrears was longer period of low and depressed sugar prices driven by subdued demand and surplus sugar stocks in both domestic and world markets. The problem is accentuated by the fact that some States announce State Advised Price (SAP), higher than FRP. The Commission recommends that the State Governments should stop fixing SAP and if some States want to continue with SAP, the respective State Governments should directly transfer the difference between SAP and FRP to cane farmers through Direct Benefit Transfer (DBT).”

The Commission further noted that the statutory provision of Sugarcane (Control) Order, 1966, mandates payment to the farmers within 14 days from the date of supply of sugarcane but is rarely complied by the mills as sale of sugar is spread throughout the year. The mills take loan from the banks to make payment to farmers and incur a huge interest cost. The Commission recommends amending Sugarcane (Control) Order, 1966 to allow cane payment in installments and payment of additional cane price to growers on account of interest cost saving by sugarmills.

- **Cane Arrears**

As on March, 2021, India's cumulative arrears (debt) stood at USD 2.58 billion (₹ 190.6 billion) of which 89

percent is yet to be cleared in Marketing Year (MY) 2020/21. The pending arrears for MY 2019/20 and MY 2018/19 were \$239 million and \$55 million, respectively. Uttar Pradesh, Karnataka, and Maharashtra account for 77 percent of the cumulative outstanding dues (see Table 4 below). During February 2021, the cane dues to be paid by Sugar Mills to the farmers increased by 19.27 per cent to ₹ 22,900 crore (till February of the 2020-21 season from the year ago period) due to subdued sugar prices which affected the liquidity of sugar mills. As discussed earlier, it was expected that the GoI to increase the MSP for the improvement of the revenue realisation of mills and timely payment to the farmers

The Way Forward

The government has been proactive in case of the sugar industry because of its size and the number of livelihoods associated with it. We are cautiously optimistic about the future of the sugar industry but there continue to be some persisting concerns. These concerns necessitate a resolution of the vexed issues of FRP and MSP with a sense of urgency. The report suggests that recommendations of the Commission for Agricultural Costs and Prices (CACP) need to be explored and examined by the stakeholders and the problems highlighted therein should be resolved, wherever possible taking in confidence the market players. High international prices have also helped in firming up domestic sugar prices.

Slower sales by India, which is estimated to have almost 9 million tons in reserves next month, may drive up the global market prices again, particularly in the light of the fact that after drought and frost damaged crops in top grower Brazil. This is why sugar futures recently reached a four-year high in New York.

The domestic prices rose by ₹ 400-500 per quintal prior to the festive season, which was also due to increasing demand for the Indian sugar in global market. Despite some volatility, the White Sugar price Index remained range bound during 1 September to 7 September 2021. Also, conventionally maximum sugar consumption is observed during August-October each year.

(Source: Report by Infomerics Valuation and Rating Private Limited dated September 30, 2021)

Domestic Ethanol Production

According to ISMA, against the total Letter of Intent (LOI) quantity of 416.33 crore litres, 113.17 crore litres of ethanol have been supplied as of March 13, 2022. Out of the total supply, around 86% comprises of ethanol made from sugarcane juice / B heavy molasses. The contracted quantity as on March 13, 2022 stood at 391.85 crore litres as against LOIs of about 416.00 crore litres issued by OMCs. India has achieved an average blending percentage of 9.45%.

Ethanol Procurement Status

The Indian ethanol industry reached a blending of 9.6% as on 27th March 2022. The total receipt quantity as on March 27th, 2022, stood at 131.69 crore litres. Ethanol from B-heavy molasses had the highest contribution and comprised of 49% of overall contribution. Contribution from sugarcane juice / sugar syrup / sugar stood at 36%. Contribution from others i.e. C-Heavy Molasses, Damaged Foods Grains and Surplus Rice stood at 3%, 7% and 4% of total ethanol supply.

Indian Ethanol Industry, huge potential ahead

Indian biofuel market is expected to grow by 15% from 2019-2024 (International Energy Agency (IEA)). Indian ethanol requirement is expected to be around 1570 crore litres making it a 1660 crore ethanol economy. According to "Niti Ayog", it has set target to achieve E20 or 20% blending by 2025.

The expected distillery capacity requirement to achieve this target is around 1500 crore litres, indicating huge growth potential going ahead. In addition, the Government of India's focus towards reducing oil imports will thrust the ethanol demand. The implementation of manufacturing flexi-fuel cars. In the recent Sugar & Ethanol India Conference (SEIC) 2022, the Government of India indicated a huge potential for ethanol as world is moving towards green fuel. E-20 programme has huge potential to reach 2.2x from current 465 crore litres to 1500 crore litres by 2025. There was also an indication that over implementation of flex engines, ethanol requirement can reach up to 4000 crore litres in coming 5 years. Higher ethanol demand will enable sugar millers to liquidate its inventories and strengthen their financial position.

Flexi Fuels to Drive Ethanol Growth

As per discussion in Sugar & Ethanol India Conference (SEIC) 2022, India is framing policies to promote the use of clean fuels including electric vehicles (EVs) and tightening emission norms to meet its carbon reduction targets. India is a large consumer of fossil fuels for transport and thus Government of India is shifting towards import substitutes and pollution free fuel. Also, the implementation of norms like Corporate Average Fuel Efficiency (CAFE) will push automakers to gradually shift to green fuel. India is targeting reducing carbon emissions by 33%-35% by 2030 as part of its commitment under the Paris Climate Agreement. The South Asian nation intends electric cars to make up 30% of total private car sales by 2030 and for electric motorcycles and scooters to make up 40% of total sales. In addition, the Government of India is also planning to make it mandatory for the gasoline cars to have flexible fuel engines so they can also run on ethanol blends. Also, the Ministry in future can encourage sugar millers to have their own ethanol stations. Growing ethanol demand will reduce sugar sector cyclicalities and improve the operational profitability going forward.

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 19 of this Draft Letter of Offer, for a discussion of the risks and uncertainties related to those statements, as well as “Restated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 85 and 123, respectively, 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. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.

The Company was incorporated on the 13th day of December, 2011 as “Parvati Sweetners and Power Private Limited”. The name of the Company has been changed from Parvati Sweetners and Power Private Limited to “Parvati Sweetners and Power Limited” vide fresh certificate of incorporation dated 24th January, 2012.

The Hon’ble NCLT, Mumbai vide its Order dated September 14, 2017 and Hon’ble NCLT, Ahmedabad vide its order dated December 12, 2017 have approved the Scheme of Amalgamation of Dollex Industries Limited (the Transferor Company) with Parvati Sweetners and Power Limited (the Transferee Company) and their respective shareholders & creditors. In accordance with the Scheme, the entire Undertaking of Dollex Industries Limited stood transferred and vested with our Company w.e.f. April 01, 2015 (the appointed date under the Scheme) pursuant to Section 391 to 394 of the Companies Act, 1956 with Sections 100 to 103 of the Companies Act, 1956 and as per Section 230 to 232 of the Companies Act, 2013. In accordance with the said scheme, the Equity shares of our Company to be issued pursuant to the Scheme as well as existing shares of Transferee Company was listed and admitted to trading on BSE Limited (BSE). We received exemption from the strict enforcement of the requirement of Rule 19(2) (b) of the SCRR for the purpose of listing of shares of the company from SEBI vide its letter No. SEBI/HO/CFD/DIL-2/OW/P/2018/1340/1 dated May 04, 2018. The shares of our Company are accordingly listed on the BSE.

Our Business

Our core business includes the manufacture of sugar and its bye-products. We have sugar mills with crushing capacity of 2500 TCD (Tonnes Crushing Per Day) and our Sugar plant is located in Gwalior, Madhya Pradesh, India. We also have a captive power plant of 4MW. We work under the guidance of our Promoter and Managing Director, Ms Poonam Chouksey, who has been associated with our Company since its incorporation. She has been instrumental in evolving our business operations, growth and future prospects. Our Manufacturing facility is located at Village Sankhini, Tehsil Bhaitarwar, Gwalior District – 475220, Madhya Pradesh admeasuring with a cane crushing capacity of 2500 Tonnes Per Day.

Our divisional revenue break-up during the past financial years is stated below:

(In ₹ Lakhs)

Particulars	March 31, 2022		March 31, 2021		Mach 31, 2020	
	Revenue	%	Revenue	%	Revenue	%
Sugar	6,189.72	95.89	5,033.00	97.11	3,835.24	88.26
Bye-Products						
Molasses	245.25	3.80	147.44	2.84	480.48	11.06
Bagasse	19.73	0.30	2.36	0.05	29.44	0.68
Press Mud	0.38	0.01	0.00		0.00	
Total Revenue from operations	6,455.09	100	5,182.80	100	4,345.16	100

OUR COMPETITIVE STRENGTHS

1. Experienced Promoters and strong Executive Team

Our Promoters are engaged in the business of sugar production from sugarcane for more than a decade and have thus established a proven background and rich experience in the sugar and derived product with the continued support of the farming community in the area we were able to expand our sugar unit capacity to 2500 TCD. For further details of our Promoter's experience and background, please refer the chapter titled "Our Promoters and Promoter Group" on page 79 of this Draft Letter of Offer. Our Company and our Promoters are aided by a team of experienced personnel. The team comprises of personnel having technical, operational and business development experience. We believe that our management team's experience and their understanding of the sugar production & derived product manufacturing business will enable us to continue to take advantage of both current and future market opportunities. It is also expected that our management personnel's experience will help us in addressing and mitigating various risks inherent in our business, including significant competition, reliance on independent agents, and fluctuations in sugar and sugarcane prices.

Our team includes senior executives and managers, many of whom are having over 10 years of experience in the engineering and sugar industry. We believe our management and executive team has the long-term vision to provide stability and continuity to our business.

2. Integrated operations and economies of scale

We have integrated operations enabling us to meet the time, cost efficiency, quality and quantity requirements. The main raw material for production of our various segments is sugarcane and we have been able to procure the same from the villages near our factory uninterruptedly till date, we are also able to achieve economies of scale by bulk buying from the farmers.

3. Strong Technological Capabilities

Our manufacturing unit at Gwalior has been installed with various latest machinery and technology. We have installed the latest machineries for our sugarcane units which ensures that our crushing takes place uninterruptedly during the season.

4. Strategic location of our manufacturing unit

Sugarcane is the principal raw material used for the production of sugar. Our business depends on the availability of sugarcane and any shortage of sugarcane may adversely affect our results of operations. After de-regulation of the sugar industry, there are no restrictions on the farmers to sell their produce to any particular sugar unit. However, due to our continued relations with the farmers, are regular and advance payments, assistance with high quality seeds and timely aid in harvesting and transportation of the cane, we have ensured continuous supply of sugarcane from a large number of farmers in the nearby villages in our vicinity and other areas.

Subsidiaries

We have no subsidiaries.

Our Business Strategies

1. Increasing operational efficiency

Our product portfolio consists of sugar and its bye-products manufactured by processing its residual products. Hence operational efficiency for each product is related to its previous product's efficiency and quality. We continue to invest in increasing our operational efficiency throughout the organisation. We are addressing the increase in operational output through continuous process improvement, increasing recovery rate through timely sugarcane crushing, technology development throughout the products, consistent quality and customer service. We also strive to achieve alignment of our people towards 'process improvement' through change management and upgrading of skills for latest technology and as required for customer satisfaction is a continuous activity. Awareness of this quality commitment is wide spread among all the employees.

2. Explore possibilities of geographical expansion

Our Company is currently situated in Gwalior District of Madhya Pradesh and our Company intends to propose to explore other geographical locations.

3. Production of Ethanol

We are looking towards capitalizing the opportunity of India's target of attaining 20% ethanol blending by 2025. As the Government is encouraging the production of ethanol from sugar producers, by making its production more commercially viable and attractive. We propose to setup an ethanol plant & power co-generation plant in the coming years, which will give our Company a major foothold in the industry.

4. Augment our fund-based capacities in order to scale up business operations

The sugar industry is characterised by high debtors and advance payments to farmers and harvesting & transportation agents. Also, the credit period enjoyed by us is considerably short due to creditors being mainly farmers with whom we need to maintain cordial relations in order to ensure they sell the sugarcane produce to us. However, we generally offer substantial credit period to our customers, mainly being entities in the food, petroleum, beverages, and also government agencies. Further, during the crushing season, we have to make advance payments for various minor raw materials, utilities and other services so as to carry out the uninterrupted crushing. Thus, our operations are working capital intensive.

We believe that companies with high liquidity on their balance sheet would be able to better negotiate with sugarcane suppliers. With the de-regulation of the sugar industry, farmers are free to sell their produce where they like and are not obligated to sell any portion of the same to us. Better liquidity will also provide us with sufficient incentives to ensure the farmers prefer us for selling their sugarcane produce in each season. Reducing the loan from our balance sheet will also enable us to save a considerable interest cost.

RAW MATERIALS

Sugarcane

Sugarcane is the only and basic raw material for all our product segments. Our Company purchases all our required sugarcane directly from farmers. Currently, we purchase sugarcane from farmers who are majorly within and around the area where our manufacturing unit is situated. These farmers growing sugarcane are based in villages allotted to us around our production facility. Though the farmers are free to sell their produce to any unit, we offer sufficient incentives, infrastructure and assistance in various stages of cultivation, thus ensuring loyalty from these farmers. We also appoint contractors who are responsible for harvesting and transporting the sugarcane from the farms to our factory. Further, our Company has and will continue to maintain good relations with the sugarcane farmers in our vicinity which ensures uninterrupted supply of sugarcane to our factory during the crushing season.

Sugarcane Cultivation

We have undertaken several initiatives to improve sugarcane production in our area, and also on improving cane quality and hence recovery, and at the same time developed good relations with the farming community of the area. Sugarcane development initiatives undertaken by us include providing quality seeds to the farmers nearby so that the yield could increase. Our sugar production is based on the grade of sugarcane procured by us

OTHER RAW MATERIALS

Sulphate

Sulphate is essential for manufacture of sugar. It is the ingredient which is used for the crystallization of syrup

Lime

Lime obtained from clear juice. We source our requirement of Sulphate from local manufacturers. Milk of lime is added to the Juice Sulphate for cleaning process. Lime is obtained from local vendors in our vicinity and is sufficiently available as it is a common chemical substance.

Caustic Soda

Caustic Soda is used for cleaning the turbine blades which in turn are used in the power generation activity. Caustic Soda is available from various local vendors as it is a common chemical substance.

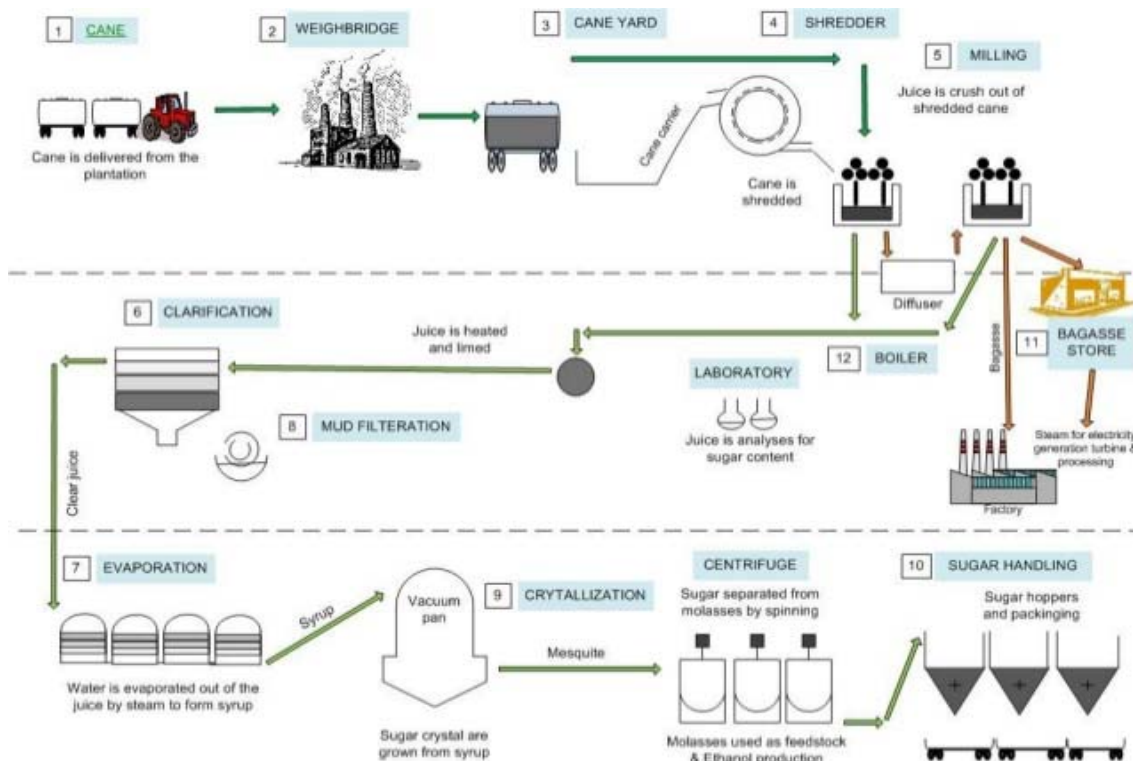
Packing Material

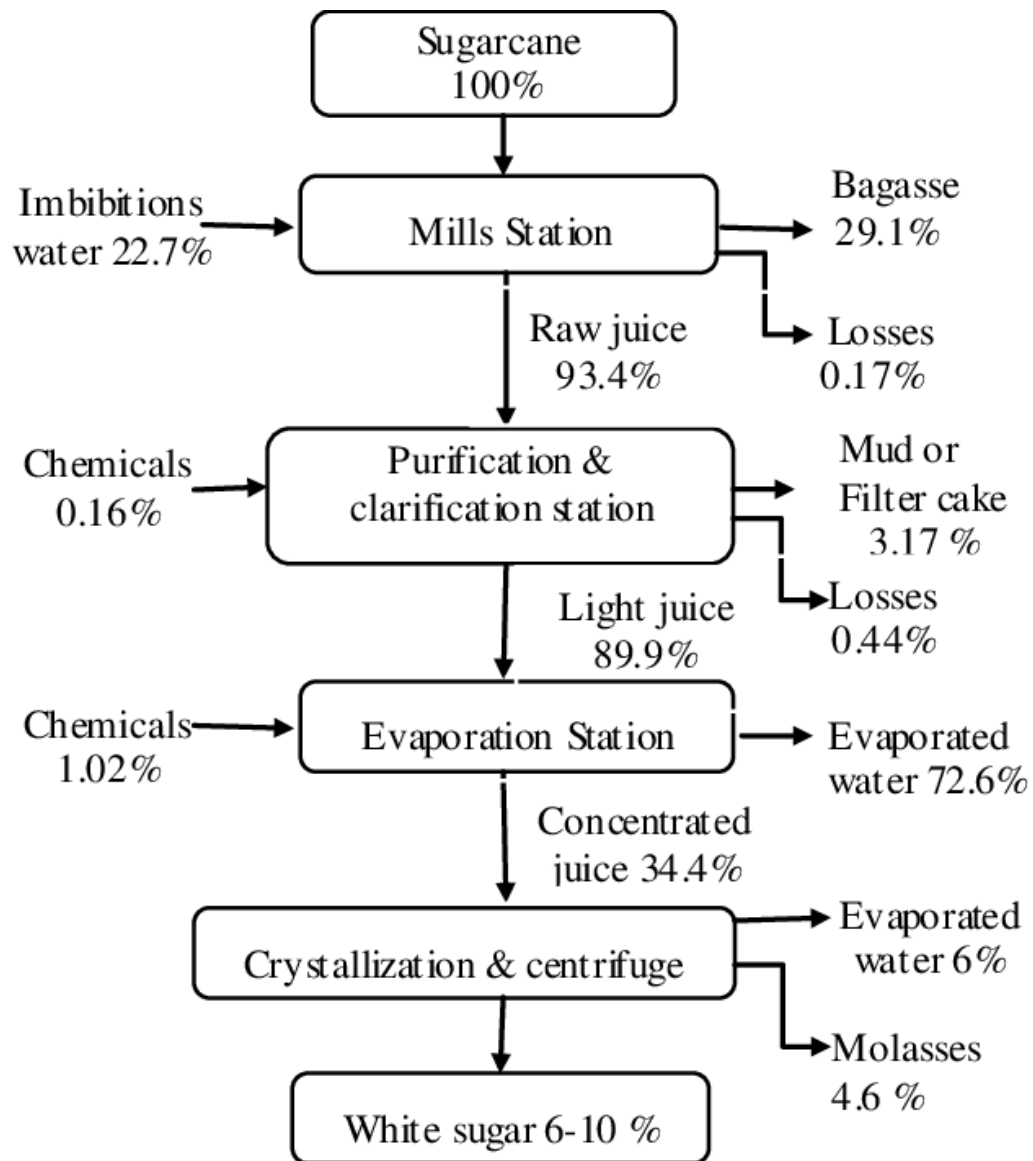
The company uses packing material for packing of Sugar.

PLANT AND MACHINERY

Our factory is equipped with various machinery, technology and equipment for the purpose of effectively carrying out the manufacturing process effectively and efficiently. Our factory has the Sugar Unit and the Captive Power Plant. Both the units are equipped with the required plant and machineries to effectively carryout the manufacturing process. The Company has undertaken the modernization of the technology from time to time to adopt the latest technology in the manufacturing process.

MANUFACTURING PROCESS





OUR MAJOR CUSTOMERS

Our Company is primarily engaged in the production of sugar and its by-products. We supply sugar to wholesalers who in turn distribute the same to customers all over India.

UTILITIES

Power

Sugar Plant

The Company is having Co-generation Power Plant with an installed capacity of 4 MW. The production capacity is 2,500 Units per day. Average seasonal days is 125 days. During the season, sugar plant requires steam for sugar manufacturing and electricity for machine and motors running and for factory utilities. Steam is required for boiling of the sugarcane juice for further crystallization. Steam is generated from Co-generation unit and supplied to Sugar Unit. The total power requirement of the Sugar unit is around 72,000 units per day during the crushing season which is met from 33KV power line connection from the state electricity board and the power that is generated by the Co-generation unit. Hence, the power requirement of the Sugar Unit power requirement is self-reliant.

Co-gen Unit

The Cogeneration power plant is equipped with an installed capacity of 4 MWs of electricity. The Co-gen unit requires electricity for plant lighting and running of machineries for generation of electricity which is met through the power generated from the Co-generation.

Fuel

Sugar Plant

No separate fuel is required for the sugar unit. The steam which is generated by the co-gen unit is taking care of the boiling of the sugarcane juice for manufacture of sugar. Hence, no separate fuel is required for the sugar unit.

Co-gen Unit

The fuel required for the Co-generation power plant is bagasse (waste generated after sugarcane crushing). The bagasse is generated in the course of the crushing of the sugarcane during the season time and used as fuel for Co-generation power plant for generation of power.

Water

The required water supply is .02 million cubic metre per year and is met from tanks constructed at the factory premises. The storage in tanks is sufficient to take care of water requirement of our plant. The water is drawn from a dam nearby.

Emission and Effluent Treatment

The fluid waste generated by the sugar unit is treated through ETP plant and recycling is done. This recycled water is once again used for manufacturing process. The waste water treatment is done as per the approval treatment process from Pollution Control Board.

Sales and Marketing

The products manufactured by the Company is Sugar, Molasses (By-product) and Power. Sugar is an essential commodity which is regularly required by households and commercial establishments like hotels, sweet manufacturers, biscuit industries and other manufacturers of sweet and salty products. As per the estimates, consumption about 90% of the sugar is consumed by the commercial establishments and 10% is consumed by households.

The demand for sugar is perennial throughout the year. The company can sell the quantity of sugar manufactured

in the market. The Company sells sugar to wholesalers who are spread throughout the State. The company is having established relationship with the wholesale traders for decades who are lifting the sugar regularly throughout the year. The Company sells the sugar whenever there is good price for the sugar and hold the stock sometimes anticipating the price increase and sells the same when there is hike in the market price of the sugar. Hence, the sugar is having ready market to sell and there is no waiting period for selling the sugar.

The by-product Molasses also has a ready market. The Molasses is purchased by the distilleries and poultry feeds manufacturers. Company sells the Molasses whenever there is a good price in the market. Usually, the Molasses is largely sold during the off-season when the price moves upward. The company can sell whatever quantity manufactured.

The power generated is used for captive consumption.

Collaborations

As on the date of this Draft Letter of Offer, we have not entered into any technical or other collaboration arrangements.

Human Resources

We believe our employees are one of our most important assets and critical to maintaining our competitive position in our industry. As on September 30, 2022, we had 38 full time employees. The following table sets forth a bifurcation of the number of our employees as of September 30, 2022:

Sr. No.	Description	No. of Employees
1	Top Management	3
2	Corporate support staff (Accounts, Secretarial, office staff)	5
3	Marketing staff	30
4	Others including seasonal contract labour at Factory	321
Total		359

Competition

India is one of the largest sugar producer and consumer in the world. Our Company faces severe competition in the business of Sugar production from sugar mills operating in Karnataka, Maharashtra, Uttar Pradesh and throughout the country and also from international markets. With the de-regulation of sugar prices, we now have to set sugar prices as per national competition. The competition faced by us is also in the form of sugarcane purchase from farmers from villages in our vicinity and also outside the area of our factory. Further, competition in the sugar industry arises from organised as well as from un-organised sector.

Corporate Social Responsibility

We as a responsible corporate citizen are committed to take up different developmental projects, towards improving the quality of lives of the underprivileged sections of the society and other stakeholders. We are not required to constitute a Corporate Social Responsibility Committee as our Company does not fall within purview of Section 135(1) of the Companies Act, 2013. We are also not required to formulate a policy on corporate social responsibility

Insurance

We generally maintain insurance covering our stocks, machineries and assets at such levels that we believe to be appropriate. We have obtained certain policies such as standard fire and special perils policy, which insure our building, furniture, fittings, electrical installation, office equipment, stationery, godowns, meeting rooms, building superstructure and any other office contents. Although, we have taken appropriate insurance cover, there can be no assurance that our insurance policies will be adequate to cover the losses which we may incur due to the occurrence of an accident or a mishap.

Capacity and Capacity Utilization

Below is the installed capacity and capacity utilisation for the last 3 financial years

Sugar		
Financial Year	Installed Capacity	Percentage utilisation (%)
2019-20	2500 Tonnes Crushing Per Day	70.70%
2020-21	2500 Tonnes Crushing Per Day	74.61%
2021-22	2500 Tonnes Crushing Per Day	75.15%

Power		
Financial Year	Installed Capacity	Percentage utilisation (%)
2019-20	3.75 Mega watts	93.00%
2020-21	3.75 Mega watts	94.00%
2021-22	3.75 Mega watts	96.00%

Intellectual Property

We do not own any trademarks and none of the trademark is registered

Property

We own the following properties:

a) Freehold property:

Sr. No.	Particulars of the Property	Usage
1	Survey No: 52 and 55/1, Village Sankhini, Tehsil Bhaitarwar, Gwalior District – 475220, Madhya Pradesh admeasuring 8.512 hectares	Factory premises.

b) Leasehold Property

Sr. no.	Details of the Deed/Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
1.	Lease Agreement dated 02/09/2022 with Jai Narain College of Technology (JNCT)	“Hall No: 2”, Gomantika Parisar, Shopping Complex, Jawahar Chowk, Bhopal – 462 003, Madhya Pradesh, India	Rs. 11,000 per month with an increase of 5% per year.	01/09/2022 to 31/07/2023	Registered Office

OUR MANAGEMENT

Our Board of Directors

Our Articles of Association require us to have not less than three (3) and not more than Twelve (12) Directors. As on date of this Draft Letter of Offer, we have six (6) Directors on our Board, which includes, Chairman and Managing Director, one (1) Executive Director, One (1) Non- Executive Non-Independent Directors and three (3) Independent Directors. There are two women Directors.

Set forth below are details regarding our Board as on the date of this Draft Letter of Offer:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
Ms Poonam Chouksey DIN: 02110270 Date of Birth: Designation: Chairperson and Managing Director Address: H. No 31, Shamla Hills, Bharat Bhavan Road, Bhopal, Madhya Pradesh 462 002 Original Date of Appointment: Occupation: Business Term: 5 Years from 29.09.2018 Nationality: Indian	66	1. Padamjaya Ventures Private Limited 2. Parvati Finserv Support Limited
Mr Anupam Chouksey DIN: 02110273 Date of Birth: 11.04.1979 Designation: Executive Director Address: H. No 31, Shamla Hills, Bharat Bhavan Road, Bhopal, Madhya Pradesh 462 002 Original Date of Appointment: 15.12.2011 Occupation: Business Term: Liable to retire by rotation Nationality: Indian	43	1. Awit Media Private Limited 2. Vitamax Healthcare Private Limited 3. Ananjay Pharmaceuticals Private Limited 4. Fabcone suspensions Private Limited 5. Gulmata Construction Private Limited 6. Kalchuri Contractors Limited 7. Padamjaya Ventures Private Limited 8. Parvati Finserv Support Limited 9. LNCT and Ultimate Skills Private Limited 10. LNCT Education Foundation 11. Akhil Bhartiya Rojgar Evam Kaushal Vikas Sangathan 12. Kalchuri Incubators Foundation LLPs 13. LN International Studies LLP
Ms Pooja Shree Chouksey DIN: 07575058 Date of Birth: 25.09.1990 Designation: Non-Executive Non – Independent Director Address: H. No. 31, Shamla Hills, Bharat Bhavan Road, Bhopal, Madhya Pradesh 462 002 Original Date of Appointment: 29.09.2018 Occupation: Business Term: liable to retire by rotation Nationality: Indian	32	1. Ananjay Pharmaceuticals Private Limited 2. Kalchuri Contractors Limited 3. Padamjaya Ventures Private Limited 4. Star NXS Solutions Private Limited 5. Dabra Alcobrew Private Limited 6. Lnct Guru Private Limited LLPs 7. Kalakunj Resort & Wellness Centre LLP
Mr. Rohit Bhatnagar DIN: 08232760 Date of Birth: 16.05.1991 Designation: Independent Director Address: A-303, Yashodha Parisar, Kolar Road,	31	1. Robust Msolutions Nidhi Limited 2. Kaneras Industries Private Limited 3. Uddhikaran PP Industries Private Limited

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
Opposite Bhima Kunj, Bhopal, Madhya Pradesh – 462 042 Original Date of Appointment: 10.02.2021 Occupation: Business Term: 5 years from 10.02.2021 Nationality: Indian		
Mr Vineet Richhariya DIN: 08277328 Date of Birth: Designation: Executive Director Address: B-79, Raisen Road, Siddarth, Lake City, Anand Nagar, Bhopal, Piplani, Madhya Pradesh – 462 021 Original Date of Appointment: Occupation: Business Term: 5 years from 12.11.2018 Nationality: Indian	51	None
Mr Kuldeep Mudgal DIN: 08608624 Date of Birth: Designation: Executive Director Address: 234, 2C, Saket Nagar, Habibganj Hujir, Bhopal, Madhya Pradesh – 462 024 Original Date of Appointment: Occupation: Business Term: 5 years from 12.11.2019 Nationality: Indian	51	None

Brief Biographies of our Directors

Ms Poonam Chouksey holds a bachelors and masters degree in Arts. She has over 40 years of experience in the field of Accounts, Human Resources, Legal, Finance and Taxation. She manages the overall affairs of our Company

Mr Anupam Chouksey, our Executive Director is an Engineer with an M Tech Degree in Computer Science. He is also a management graduate and holds a Ph.D Degree .He has over 25 years of experience in the field of Technical, Finance, Accounts. He handles the general operations of our Company.

Ms Pooja Shree Chouksey holds a bachelor's degree in Engineer and holds a Master of Science degree from the University of Manchester, United Kingdom. She has about 15 years of experience in the field of Technical, Finance, Accounts and Organisation management. She handles the finance and marketing function in our Company.

Mr Rohit Bhatnagar, Independent Director is a commerce graduate, holds a post graduate degree in Commerce and a Management Degree. He has more than 10 years of experience in the field of purchase, finance and accounts.

Mr Vineet Richhariya, Independent Director is an Engineer and holds a Ph.D. He has over 26 years of experience in the field of Accounts.

Mr Kuldeep Mudgal, Independent Director is an Arts Graduate and holds a M B A degree. He has over 25 years of experience in the field of Accounts and Finance.

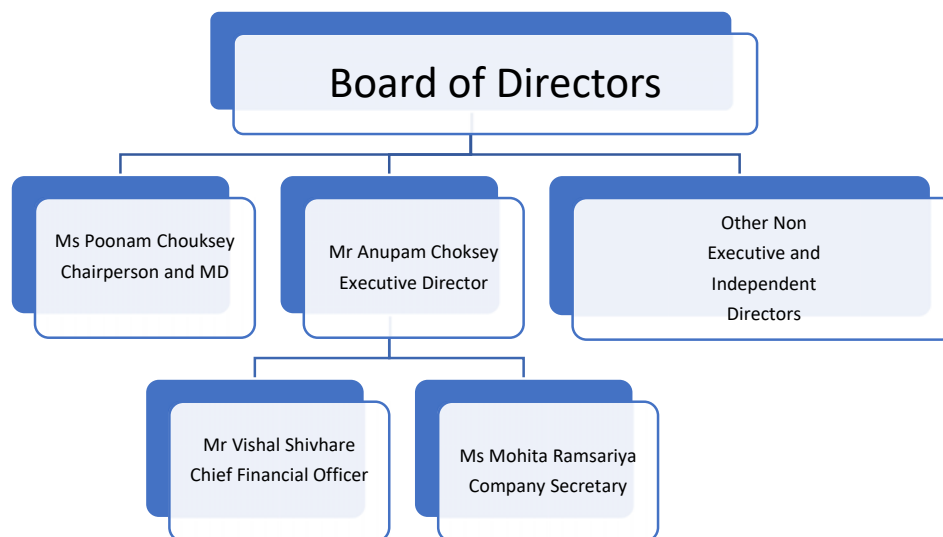
Confirmations

- None of the Directors of our Company have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Draft Letter of Offer, during the term of his/ her directorship in such company.

2. Further, none of the Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.

Management Organization Structure

The following is the organization structure of our Company:



Corporate Governance

The provisions of the Companies Act, 2013 and SEBI Listing Regulations regarding Corporate Governance is applicable to us.

We are compliant with the requirements of the applicable provisions of the Act and the regulations, including the SEBI Listing Regulations, Companies Act, 2013 and the SEBI (ICDR) Regulations, in respect of corporate governance including constitution of our Board and Committees thereof. Our 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 Committees, as required under the law.

Our Board undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act, 2013. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act, 2013 and SEBI Listing Regulations:

- a) Audit Committee;
- b) Stakeholders' Relationship Committee;
- c) Nomination and Remuneration Committee;
- d) Rights Issue Committee

Details of each of these committees are as follows:

a) Audit Committee

Our Audit Committee has the following members of the said committee:

S. No.	Name of Member	Designation
1.	Mr. Rohit Bhatnagar	Chairman
2.	Ms. Poonam Chouksey	Member
3.	Mr. Vineet Richhariya	Member

The Company Secretary acts as the secretary of the Audit Committee.

The scope, functions and the terms of reference of our Audit Committee, is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations which are as follows:

- i. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity.
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Modified opinion(s) in the draft audit report.
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the board to take up steps in this matter.
- vii. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- viii. Approval or any subsequent modification of transactions of the listed entity with related parties.
- ix. Scrutiny of inter-corporate loans and investments.
- x. Valuation of undertakings or assets of the listed entity, wherever it is necessary.
- xi. Evaluation of internal financial controls and risk management systems.
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

- xiv. Discussion with internal auditors of any significant findings and follow up there on.
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- xvii. 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.
- xviii. To review the functioning of the whistle blower mechanism.
- xix. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
- xx. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- xxi. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- xxii. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- xxiii. To review Statement of deviations in terms of Regulation 32(1) & 32(7); including report of monitoring agency, if applicable.
- xxiv. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modifications as may be applicable.

The periodic review ensures that all areas within the scope of the Committee are reviewed. All members of the Audit Committee possess strong knowledge of accounting and financial management. The Chairman of the Company, the Managing Director, Chief Financial Officer, the Internal Auditors and Statutory Auditors are regularly invited to attend the Audit Committee Meetings. The Internal Auditor reports to the Chairman of the Audit Committee. The significant audit observations and corrective actions as may be required and taken by the management are presented to the Audit Committee.

As required under the SEBI Listing Regulations, the Audit Committee meets at least four times a year with maximum interval of 120 days between two meetings and the quorum for each meeting of the Audit Committee is two members or one third of the number of members of the Committee, whichever is greater, provided that minimum of two independent directors are present at each of the meetings.

b) Stakeholders Relationship Committee

The members of the Stakeholders Relationship Committee are as follows:

S. No.	Name of Member	Designation
1.	Mr. Kuldeep Mudgal	Chairperson
2.	Ms Poonam Chouksey	Member
3.	Mr Rohit Bhatnagar	Member

The Company Secretary acts as the secretary of the Stakeholders Relationship Committee.

The scope and function of the Stakeholders Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations and the terms of reference, powers and scope of the Stakeholders Relationship Committee of our Company include:

- i. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;
- iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and
- iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

As required under the SEBI Listing Regulations, the Stakeholders Relationship Committee meets at least once a year, and the chairperson of the committee shall be present at the Annual General Meetings to answer queries of the security holders. The quorum for the meeting of this Committee shall be either two members or one third of the members of the Committee whichever is greater, including at least one independent director in attendance at the meeting.

c) *Nomination and Remuneration Committee*

The members of the Nomination and Remuneration committee are as follows:

S. No.	Name of Member	Designation
1.	Mr Vineet Richhariya	Chairperson
2.	Ms Rohit Bhatnagar	Member
3.	Mr Kuldeep Mudgal	Member

The Company Secretary acts as the secretary of the Nomination and Remuneration Committee.

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations and the terms of reference, powers and role of our Nomination and Remuneration Committee are as follows:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required.
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity and
 - c. consider the time commitments of the candidates.
- ii. Formulation of criteria for evaluation of performance of independent directors and the board of directors.
- iii. Devising a policy on diversity of board of directors.
- iv. 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.
- v. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- vi. Recommend to the board, all remuneration, in whatever form, payable to senior management.

- vii. recommend to the board, all remuneration, in whatever form, payable to Directors, KMP, Senior Management, i.e. salary, benefits, bonus, stock options etc. and determining policy on service contracts, notice period, severance fees for Directors, KMP and Senior Management;
- viii. Reviewing and determining fixed component and performance linked incentives for Directors along with the performance criteria.
- ix. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modifications as may be applicable.

As required under the SEBI Listing Regulations, the Nomination and Remuneration Committee shall meet at least once a year, and the chairperson of the committee shall be present at the Annual General Meetings to answer queries of the shareholders. The quorum for each meeting of the said committee shall be either two members or one-third of the members of the committee whichever is greater, including at least one independent director in attendance at the meeting.

- i. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- ii. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- iii. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modifications as may be applicable.

d) Rights Issue Committee

Our Company has constituted a Rights Issue Committee on August 13, 2022. The composition of the Rights Issue Committee is as under:

S. No.	Name of Member	Designation
1.	Poonam Chouksey	Chairperson
2.	Anupam Chouksey	Member
3.	Vineet Richhariya	Member
4.	Kuldeep Mudgal	Member

The Company Secretary acts as the secretary of the Rights Issue Committee.

The terms of reference, powers and role of our Rights Issue Committee are as follows:

- i. to appoint and enter into arrangements with registrar, ad-agency, monitoring agency, banker(s) to the Rights Issue and all other intermediaries and advisors necessary for the Rights Issue.
- ii. to negotiate, authorize, approve and pay commission, fees, remuneration, expenses and/ or any other charges to the applicable agencies/ persons and to give them such directions or instructions as it may deem fit from time to time.
- iii. to approve and adopt any financial statements prepared for purposes of inclusion in the issue documents, pursuant to the requirements outlined by the SEBI ICDR Regulations or any other applicable law for time being in force, including intimating the approval and adoption of such financial statements to the Stock Exchange, if required.
- iv. to negotiate, finalise, settle and execute the issue agreement, registrar agreement, agreement, underwriting agreement, ad-agency agreement, banker, lead manager to the issue agreement and any other agreement with an intermediary and all other necessary documents, deeds, agreements and instruments in relation to the Rights Issue, including but not limited to any amendments/ modifications thereto.

- v. to take necessary actions and steps for obtaining relevant approvals from the SEBI, the Stock Exchange, the RBI, or such other authorities, whether regulatory or otherwise, as may be necessary in relation to the Rights Issue.
- vi. to finalise the issue documents and any other documents as may be required and to file the same with the SEBI, the Stock Exchange and other concerned authorities and issue the same to the shareholders of the Company or any other person in terms of the issue documents or any other agreement entered into by the Company in the ordinary course of business.
- vii. to decide in accordance with applicable law, the terms of the Rights Issue, the total number, issue price and other terms and conditions for issuance of the equity shares to be offered in the Rights Issue, and suitably vary the size of the Rights Issue, if required, in consultation with the Lead Manager.
- viii. to fix the record date for the purpose of the Rights Issue for ascertaining the names of the eligible shareholders who will be entitled to the equity shares, in consultation with the Stock Exchange.
- ix. to decide the rights entitlement ratio in terms of number of equity shares which each existing shareholder on the Record Date will be entitled to, in proportion to the equity shares held by the eligible shareholder on such date.
- x. to open bank accounts with any nationalised bank/ private bank/ scheduled bank for the purpose of receiving applications along with application monies and handling refunds in respect of the Rights Issue.
- xi. to appoint bankers to the issue / refund bankers for the purpose of collection of application money for the Rights Issue at the mandatory collection centres at the various locations in India.
- xii. to decide in accordance with applicable law on the date and timing of opening and closing of the Rights Issue and to extend, vary or alter or withdraw the same as it may deem fit at its absolute discretion or as may be suggested or stipulated by the SEBI, the Stock Exchange or other authorities from time to time.
- xiii. to issue and allot equity shares in consultation with the Lead Manager(s), the registrar, the Stock Exchange and to do all necessary acts, execution of documents, undertakings, etc. with National Securities Depository Limited and Central Depository Services (India) Limited, in connection with admitting the Equity Shares issued in the Rights Issue.
- xiv. to take such actions as may be required in connection with the creation of separate ISIN for the credit of rights entitlements in the Rights Issue.
- xv. to apply to regulatory authorities, if required, seeking their approval for allotment of any unsubscribed portion of the Rights Issue (in favour of the parties willing to subscribe to the same).
- xvi. to decide, at its discretion, the proportion in which the allotment of additional equity shares shall be made in the Rights Issue.
- xvii. to dispose of the unsubscribed portion of the equity shares in such manner as it may think most beneficial to the Company, including offering or placing such equity shares with promoter and/ or promoter group/ banks/ financial institutions/ investment institutions/ foreign institutional investors/ bodies corporate or such other persons as the Rights Issue Committee may in its absolute discretion deem fit.
- xviii. to decide the mode and manner of allotment of the equity shares, if any, not subscribed and left/ remaining unsubscribed after allotment of the equity shares and additional equity shares applied by the Shareholders and renounces.
- xix. to appoint underwriters and decide the underwriting obligations inter-se and such other terms and conditions thereof, as it may deem fit and to enter into underwriting agreement for this purpose.
- xx. to settle any question, difficulty or doubt that may arise in connection with the Rights Issue including the issue and allotment of the equity shares as aforesaid and to do all such acts, deeds and things as the Board may in its absolute discretion consider necessary, proper, desirable or appropriate for settling such question, difficulty or doubt and making the said Rights Issue and allotment of the equity shares; and

- xxi. to take all such steps or actions and give all such directions as may be necessary or desirable in connection with the Rights Issue and also to settle any question, difficulty or doubt that may arise in connection with the Rights Issue including the issuance and allotment of the equity shares as aforesaid and to do all such acts and deeds in connection therewith and incidental thereto, as the Rights Issue Committee may in its absolute discretion deem fit.

Our Key Managerial Personnel

In addition to our Executive Directors, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*', given below are the details of our Key Managerial Personnel as on the date of filing of this Draft Letter of Offer:

Mr Vishal Shivhare, aged 37 years, is the Chief Financial Officer of our Company with effect from November 12, 2019. He holds a Bachelor's Degree in Commerce and holds a degree of MBA in Finance. He has working experience of about 15 years in the field of Accounts, Finance and Taxation.

Ms Mohita Ramsariya aged 28 years, is the Company Secretary and Compliance Officer of our Company. she holds a Bachelor's degree in Commerce and is a member of the Institute of Company Secretaries of India. She is responsible for handling secretarial matters of our Company and has been appointed with effect from October 13, 2022.

All our Key Managerial Personnel are permanent employees of our Company.

None of our Key Managerial Personnel are entitled to receive any termination or retirement benefits.

Relationship Between Key Managerial Personnel

None of the Key Managerial Personnel are related to each other except following:

Name of the KMP	Name of the Related KMP	Relation
Ms Poonam Chouksey	Mr Anupam Chouksey	Mother and Son
Ms Poonam Chouksey	Ms Pooja Shree Chouksey	Mother and Daughter
Mr Anupam Chouksey	Ms Pooja Shree Chouksey	Brother and Sister

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters are Mr. Jai Narain Chouksey, Ms Poonam Chouksey and Mr Anupam Chouksey and Kalchuri Contractors Limited, Ananjay Constructions and Contracts Private Limited, Yamini Vyapar Private Limited and Marium Leasing and Investment Private Limited belong to the promoter group. As on date of this Draft Letter of Offer, the Promoters and Promoter Group hold, in aggregate of 4,63,24,320 Equity Shares constituting 51.37% of our issued, subscribed and paid-up equity share capital.

Our Company confirms that the PAN, bank account number and passport number in case of our Individual Promoters (except Mr. Mukesh Kumar, Ms. Munni Bee, Mr. Mehmood Khan, Mr. Yusuf Khan, Mr. Farzana Khusro, Mr. Anis Khan, Mr. Nadeem Khan and Mr Khusro Nisar) and PAN and the bank account number Promoter Group Companies (except Yamini Vyapar Private Limited and Marium Leasing and Investment Private Limited) shall be submitted to the Stock Exchange at the time of filing this Draft Letter of Offer.

Our individual Promoters / Promoter Group:

1. Mr Jai Narain Chouksey

Mr. Jai Narain Chouksey, aged 73 years, is the promoter of our Company. He holds a Masters Degree in Science from Robertsons College, Jabalpur. He has dedicated himself to the cause of education and opened the first private engineering college in Madhya Pradesh in the year 1993, now known as “Lakshmi Narain College of Technology. The LNCT group of colleges has established as the pioneer in the field of Technical, Management. Pharmaceutical and medical education. He has also opened primary schools in the rural areas of Madhya Pradesh and is the Managing Trustee of Shri Ram Jaiswal Dharamshala, Bhopal. He is also the Chairman and Managing Trustee of H.K. Kalchuri Education Trust.

For details of the educational qualifications, experience, other directorships, positions / posts held by our individual Promoters Ms Poonam Chouksey and Mr Anupam Chouksey, please see the chapter titled “*Our Management*” on page 70 of this Draft Letter of Offer.

Our Promoter Group:

1. Kalchuri Contractors Limited

Kalchuri Contractors Limited is a limited company incorporated on August 14, 1986. The registered office of Kalchuri Contractors Limited is situated at Hall No: 2, 1st Floor, Gomantika Parisar, North T T Nagar, Bhopal – 462 003 Madhya Pradesh, India.

Kalchuri Contractors Limited is engaged in the business of contractors in India and abroad for Indian Made Foreign Liquor and Indian Liquor. Its shares or any other securities are not listed on any stock exchange in India or overseas.

The equity shareholding of Kalchuri Contractors Limited is as under:

S. No	Name of shareholder	No of shares	% Holding
1	Anupam Chouksey	1,80,000	45.02
2	Jai Narain Chouksey	1,75,000	43.77
3	Suresh Kumar Chouksey	8,000	2.00
4	Poonam Chouksey	25,000	6.25
5	Pratibha Chouksey	5,000	1.25
6	Suprabhat Chouksey	3,390	0.85
7	Ashish Jaiswal	3,385	0.85
	Total	3,99,775	100.00

The Directors of Kalchuri Contractors Limited are as under:

1. Mr. Anupam Chouksey
2. Ms. Pooja Shree Chouksey
3. Ms. Shweta Chouksey

Kalchuri Contractors Limited holds 2,26,74,752 Equity Shares of our Company constituting 25.14.% of our paid-up capital as on the date of this Draft Letter of Offer.

Brief Financial Details

The financial information of Kalchuri Contractors Limited based on its audited financial statements for the last three Financial Years is given below:

(In ₹ Lakhs unless specified)

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Issued and paid-up Equity Share Capital	39.98	39.98	39.98
Preference Share Capital	0.00	0.00	0.00
Reserves and Surplus (excluding revaluation reserves)	607.53	502.02	342.78
Sales / Turnover/Other Income	1484.10	2057.76	1731.16
Profit / (Loss) after Tax	105.50	159.24	116.56
Basic and Diluted EPS per share (in ₹)	26.39	39.83	29.16
Net Asset Value per equity share (in ₹)	161.97	135.58	95.74

2. Ananjay Constructions and Contracts Private Limited

Ananjay Constructions and Contracts Private Limited is a private limited company incorporated on 18.06.2012. The registered office of Ananjay Constructions and Contracts Private Limited is situated at Shop No: 13, Gomantika Parisar Shopping Complex, Jawahar Chowk, Bhopal – 462 003, Madhya Pradesh, India. It is engaged in the business of land developers and construction of apartments and infrastructure facilities. Its shares or any other securities are not listed on any stock exchange in India or overseas.

The equity shareholding of Ananjay Constructions and Contracts Private Limited is as under:

S. No	Name of shareholder	No of shares	% Holding
1	Pooja Shree Chouksey	10,000	50.00
2	Shweta Chouksey	10,000	50.00
	Total	20,000	100.00

The Directors of the Company are as under:

1. Pooja Shree Chouksey
2. Shweta Chouksey

Ananjay Constructions and Contracts Private Limited holds 1,13,98,061 Equity Shares of our Company constituting 12.69% of our paid-up capital as on the date of this Draft Letter of Offer.

Brief Financial Details

The financial information of Ananjay Constructions and Contracts Private Limited based on its audited financial statements for the last three Financial Years is given below:

(In ₹ Lakhs unless specified)

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
Issued and paid-up Equity Share Capital	2.00	2.00	2.00
Preference Share Capital	0.00	0.00	0.00
Reserves and Surplus (excluding revaluation reserves)	387.38	299.14	273.62
Sales / Turnover/Other Income	252.46	108.01	305.99
Profit / (Loss) after Tax	88.24	25.52	53.11
Basic and Diluted EPS per share (in ₹)	441.20	128.00	266.00
Net Asset Value per equity share (in ₹)	1946.90	1505.71	1378.09

3. Yamini Vyapar Private Limited

Yamini Vyapar Private Limited (YVPL) is a private limited company incorporated on July 13, 2007. The registered office of Yamini Vyapar Private Limited is situated at 9/12, Lal Bazar Street, Mercantile Building,

Kolkata - 700001. YVPL have no revenue in the last 3 years. Its shares or any other securities are not listed on any stock exchange in India or overseas.

The equity shareholding of Yamini Vyapar Private Limited is as under:

S. No	Name of shareholder	No of shares	% Holding
1	Ideal Deal Trade Private Limited	313000	99.18%
2	Other	2600	0.82%
	Total	315600	100.00

The Directors of the Company are as under:

1. Mohammed Abbas
2. Mohammed Riyaz

Yamini Vyapar Private Limited holds 69,60,000 Equity Shares of our Company constituting 7.72% of our paid-up capital as on the date of this Draft Letter of Offer.

Brief Financial Details

The financial information of Yamini Vyapar Private Limited based on its audited financial statements for the last three Financial Years is given below:

(In ₹ Lakhs unless specified)

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Issued and paid-up Equity Share Capital	31.56	31.56	31.56
Preference Share Capital	-	-	-
Reserves and Surplus (excluding revaluation reserves)	733.83	733.97	734.40
Sales / Turnover/Other Income	-	(0.01)	-
Profit / (Loss) after Tax	(0.01)	(0.42)	-
Basic and Diluted EPS per share (in ₹)	(0.00)	(0.13)	N.A.
Net Asset Value per equity share (in ₹)	242.52	242.56	242.70

(Source: The above details have been obtained from public sources)

4. Marium Leasing and Investment Private Limited*

Marium Leasing and Investment Private Limited is a private limited company incorporated on January 04, 1995]. The registered office of Marium Leasing and Investment Private Limited is situated at 19/1, Naroli Arcade, First Floor, Manorama Ganj, Near Palasia Square, Indore, Madhya Pradesh – 452010. Its shares or any other securities are not listed on any stock exchange in India or overseas.

The equity shareholding of Marium Leasing and Investment Private Limited is as under:

S. No	Name of shareholder	No of shares	% Holding
1	Mehmood Khan	6510	0.71%
2	Munni Bee Khan	10	Negligible
3	Ibrahim Khan	10	Negligible
4	Mukesh Kumar	30,000	3.26%
5	Mohammad Khan	1,06,000	11.52%
6	Farooque Khan	1,92,500	20.92%
7	Firoz Khan	2,00,000	21.20%
8	R.R. Khan Tankers Pvt. Ltd.	1,50,000	16.30%
9	Nadeem Khan	2,30,000	25.00%
10	Ikran Khan	4,970	0.54%
	Total	9,20,000	100.00

The Directors of the Company are as under:

1. Mushtaq Khan
2. Naved Khan

Marium Leasing and Investment Private Limited holds 76,259 Equity Shares of our Company constituting 0.08% of our paid-up capital as on the date of this Draft Letter of Offer.

Brief Financial Details

The financial information of Marium Investment and Leasing Private Limited based on its audited financial statements for the last three Financial Years is given below:

(In ₹ Lakhs unless specified)			
Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Issued and paid-up Equity Share Capital	92.00	92.00	92.00
Preference Share Capital	-	-	-
Reserves and Surplus (excluding revaluation reserves)	(177.18)	(195.19)	(194.35)
Sales / Turnover/Other Income	30.69	-	55.69
Profit / (Loss) after Tax	18.01	(0.84)	(71.28)
Basic and Diluted EPS per share (in ₹)	1.96	(0.09)	(7.74)
Net Asset Value per equity share (in ₹)	(9.26)	(11.21)	(11.12)

(Source: The above details have been obtained from public sources)

Confirmations

1. None of our Promoters or members of our Promoter Group have been declared as Willful Defaulters or Fraudulent Borrowers by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.
2. Our Promoters have not been declared as a Fugitive Economic Offender.
3. None of our Promoters or members of our Promoter Group entities have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
4. Except as disclosed in the '*Outstanding Litigation and Material Developments - Disciplinary action against our Company or our promoters or members of promoter group or our directors by SEBI or any stock exchange in the last three Financials*' on page 142 of this Draft Letter of Offer, there is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoters and members of our Promoter Group.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, during the last three Financials, as per the requirements under the relevant accounting standards and as reported in the Restated Financial Information, see section titled “*Restated Financial Information- Annexure A*” at page 101 of this Draft Letter of Offer.

DIVIDEND POLICY

Dividend Policy is not mandatorily required for the Company so we do not have Dividend Declaration Policy. The dividend, if any, will depend on a number of factors, including but not limited to capital allocation plans including expected cash requirements of the Company towards working capital, capital expenditure in technology and Infrastructure etc.; funds required for any acquisitions that the Board of Directors may approve; any share buy-back plans; minimum cash required for contingencies or unforeseen events; funds required to service any outstanding loans; liquidity and return ratios; any other significant developments that require cash investments and Investments required towards execution of the Company's strategy. In addition, our ability to pay dividends may be impacted by a number of external factors, including the regulatory and financial environment. Our Company would endeavour to maintain a dividend pay-out keeping these factors in mind. We have not declared any dividend for the last 5 years.

SECTION VII – RESTATED FINANCIAL INFORMATION

FINANCIAL STATEMENT

S. No.	Details	Page Number
1.	Restated Financial Statements as at and for the Financial Years ended March 31, 2022, March 31, 2021 and March 31, 2020.	86
2	Unaudited Limited reviewed financials for the half year ended September 30, 2022	116
2.	Statement of Accounting Ratios	121
3.	Capitalization Statement	122

(The remainder of this page has been intentionally left blank)

Independent Auditor's Examination Report on Restated Financial Information

The Board of Director

Parvati Sweetners and Power Limited

Gomantika Parisar, Shopping Complex,

Jawahar Chowk,

Bhopal MP 462003

1. We have examined the attached Restated Financial Information of Parvati Sweetners and Power Limited (the "Company" or the "Issuer") comprising the Restated Financial statements for each of the financial years ended March 31, 2020, March 31, 2021, March 31, 2022, the Restated Statement of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity, the Restated Cash Flow Statement for each of the financial years ended March 31, 2020, March 31, 2021, March 31, 2022, the Restated Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), for the purpose of inclusion in the Offer Documents prepared by the Company in connection with its proposed Rights Issue of equity shares ("RI") in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act") read with Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "Rules");
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time pursuant to the provisions of the Securities and Exchange Board of India Act, 1992 ("SEBI ICDR Regulations"); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, BSE Limited, and Registrar of Companies, Gwalior, Madhya Pradesh, in connection with the proposed RI. The Restated Financial Statement have been prepared by the management of the Company on the basis of preparation stated significant accounting policies to the Restated Financial Statement. The responsibility of the Board of Directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statement. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, SEBI ICDR Regulations and the Guidance Note.
3. We have examined such Restated Financial Information taking into consideration:
 - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the proposed Rights Issue of the Company;
 - b. The Guidance Note which 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 SEBI ICDR Regulations. Our work was performed solely to assist the stakeholders for meeting their responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the proposed Rights Issue.

4. These Restated Financial Statements have been prepared under the Indian Accounting Standards (the “Ind-AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, read with Section 133 of the Act and have been compiled by the management from:
 - a. The audited financial statements of the Company for the financial year ended March 31, 2022 prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.
 - b. The audited financial statements of the Company for the financial year ended March 31, 2021 prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.
 - c. The audited financial statements of the Company for the financial year ended March 31, 2020 prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.
5. There were no modifications to the audit reports on the financial statements issued by us for each of the financial years ended March 31, 2022, March 31, 2021 and March 31, 2020.
6. Based on our examination and according to the information and explanations given to for the respective years, we report that the Restated Financial Information:
 - a. have been prepared after incorporating adjustments for the material prior period errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2022, 2021, and 2020 to reflect the same accounting treatment as per the accounting policies;
 - b. do not require any adjustments for the matters giving rise to modifications as stated in paragraph 5 above; and
 - c. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
7. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on Audited Ind AS financial statements as mentioned in the paragraph 4(a) above.
8. We have no responsibility to update our report for events and circumstances occurring after the date of this report.
9. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, the Stock Exchanges and the Registrar of Companies, Madhya Pradesh at Gwalior in connection with the proposed Rights Issue. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Khare Pamecha and Co.
Chartered Accountants (FRN: 006067C)

Sd/-
CA. Sumit Shastri
Partner
M. No. 161894

UDIN: 22161894BENSZL7940
Date: 21/11/2022
Place: Bhopal

PARVATI SWEETNERS AND POWER LIMITED
CIN: L15421MP2011PLC027287
RESTATED BALANCE SHEET

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	1	4,599.57	4,972.86	5,271.01
(b) Capital work-in-progress	1.1	840.25	712.12	659.67
(c) Financial assets				
(i) Non current investments	2	2.60	2.60	2.60
(ii) Loans	3	2,101.31	2,139.11	2,249.11
(ii) Other financial assets	4	1.03	1.03	32.66
(d) Other non-current assets				
Total non-current assets		7,544.76	7,827.72	8,215.05
Current assets				
(a) Inventories	5	6,962.53	5,650.21	3,433.75
(b) Financial assets				
(i) Current investments		-	-	-
(ii) Trade receivables	6	787.21	830.07	360.02
(iii) Cash and cash equivalents	7	400.13	15.08	279.66
(iv) Bank balances other than (iii) above		-	-	-
(iv) Loans	8	238.95	811.27	13.92
(vi) Other financial assets		-	-	-
(c) Other current assets	9	374.22	341.79	1,904.62
Total current assets		8,763.03	7,648.42	5,991.97
Total assets		16,307.79	15,476.14	14,207.02
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	10	4,509.00	3,542.70	3,542.70
(b) Other equity	11	2,388.74	2,279.71	2,117.87
Total equity		6,897.73	5,822.41	5,660.56
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Long term borrowings	12	624.80	845.91	614.42
(ii) Other Financial liabilities	13	2,727.07	4,041.89	4,551.53
(b) Deferred tax liabilities (net)	14	409.62	447.38	446.03
Total non-current liabilities		3,761.49	5,335.19	5,611.98
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	15	3,949.42	3,016.25	2,369.27
(ii) Trade payables	16	729.48	587.69	-
(iii) Other financial liabilities	17	939.00	614.20	484.19
(b) Other current liabilities	18	28.17	95.96	79.57
(c) Provisions	19	2.50	4.45	1.45
(d) Current tax liabilities (net)	20	-	-	-
Total current liabilities		5,648.57	4,318.55	2,934.48
Total liabilities		9,410.06	9,653.73	8,546.46
Total equity and liabilities		16,307.79	15,476.14	14,207.02
Notes to accounts forming an integral part of the financial statement. General company information and significant accounting policies	1 to 40 A & B			

As Per Our Report Of Even Date

FOR AND ON BEHALF OF BOARD OF DIRECTORS

For Khare Pamecha & Co.
Chartered Accountants (FRN: 006067C)

Poonam Chouksey
Chairman and Managing
Director
DIN: 02110270

Mohita Ramsariya
Company Secretary &
Compliance Officer
M No. A69639

CA. Sumit Shastri
Partner
M No. 161894
Place: Bhopal
Date: 21/11/2022

Anupam Chouksey
Director
DIN: 02110273

Vishal Shivhare
Chief Financial
Officer

PARVATI SWEETNERS AND POWER LIMITED
CIN: L15421MP2011PLC027287
RESTATED STATEMENT OF PROFIT AND LOSS

(Rs. in Lakhs)

Particulars	Note No.	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
1. INCOME				
a. Revenue from operations	21	7,137.82	5,854.14	5,019.27
b. Other Income	22	23.39	28.49	5.26
Total Income		7,161.22	5,882.63	5,024.53
2. EXPENSES				
a. Cost of materials consumed	23	7,071.11	6,412.39	4,243.06
b. Purchase Stock in Trade		-	-	-
c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(1,312.32)	(2,216.46)	(602.83)
d. Employee benefit expenses	25	135.09	217.77	138.45
e. Finance costs	26	353.13	287.66	266.99
f. Depreciation and amortization expense	1	449.07	447.85	453.20
g. Other expenses	27	393.88	570.21	486.08
Total Expenses		7,089.96	5,719.43	4,984.95
3. Profit before tax and Exceptional items (1 - 2)		71.26	163.20	39.58
4. Exceptional Items		-	-	-
5. Profit before tax (3 - 4)		71.26	163.20	39.58
6. Tax expense:				
(1) Current tax		-	-	-
(2) Deferred tax		(37.76)	1.36	31.36
7. Profit for the Year (5 - 6)		109.02	161.85	8.23
8. Other comprehensive income				
Total other comprehensive income		109.02	161.85	8.23
9. Total comprehensive income		109.02	161.85	8.23
Earning per Equity share				
Face value of Re. 5/- each				
Basic & Diluted (in Re.)		0.12	0.23	0.01
Notes to accounts forming an integral part of the financial statement. General company information and significant accounting policies	1 to 40 A & B			

As Per Our Report Of Even Date

For Khare Pamecha & Co.
Chartered Accountants (FRN: 006067C)

FOR AND ON BEHALF OF BOARD OF DIRECTORS

CA. Sumit Shastri
Partner
M No. 161894
Place: Bhopal
Date: 21/11/2022

Poonam Chouksey
Chairman and
Managing Director
DIN: 02110270

Mohita Ramsariya
Company Secretary &
Compliance Officer
M No. A69639

Anupam Chouksey
Director
DIN: 02110273

Vishal Shivhare
Chief Financial
Officer

PARVATI SWEETNERS AND POWER LIMITED
CIN: L15421MP2011PLC027287
RESTATED STATEMENT OF CHANGES IN EQUITY (SOCE)

A. Equity Share Capital

Particulars	No. shares	Total (Rs. in Lakhs)
Balance as at 31 March 2019	70,853,917	3,542.70
Changes in equity share capital during the year	-	-
Balance as at 31 March 2020	70,853,917	3,542.70
Changes in equity share capital during the year	-	-
Balance as at 31 March 2021	70,853,917	3,542.70
Changes in equity share capital during the year	19,326,065	966.30
Balance as at 31 March 2022	90,179,982	4,509.00

Particulars	Reserves and Surplus				(Rs. in Lakhs)	
	Security Premium	General Reserve	ESOP	Retained earnings	Other comprehensive income	Total equity attributable to equity holders of the Company
Balance as at 31 March 2019	1,567.18	262.12	-	280.35	-	2,109.64
Profit for the year	-	-	-	8.23	-	8.23
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-
Total comprehensive income for the year	1,567.18	262.12	-	288.57	-	2,117.87
Equity dividend	-	-	-	-	-	-
Tax on equity dividend	-	-	-	-	-	-
Employee Stock Option Plan	-	-	-	-	-	-
Balance as at 31 March 2020	1,567.18	262.12	-	288.57	-	2,117.87
Profit for the year	-	-	-	161.85	-	161.85
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-
Total comprehensive income for the year	1,567.18	262.12	-	450.42	-	2,279.71
Equity dividend	-	-	-	-	-	-
Tax on equity dividend	-	-	-	-	-	-
Employee Stock Option Plan	-	-	-	-	-	-
Balance as at 31 March 2021	1,567.18	262.12	-	450.42	-	2,279.71
Profit for the year	-	-	-	109.02	-	109.02
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-
Total comprehensive income for the year	1,567.18	262.12	-	559.44	-	2,388.74
Equity dividend	-	-	-	-	-	-
Tax on equity dividend	-	-	-	-	-	-
Employee Stock Option Plan	-	-	-	-	-	-
Balance as at 31 March 2022	1,567.18	262.12	-	559.44	-	2,388.74
Profit for the year	-	-	-	(302.27)	-	(302.27)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-
Total comprehensive income for the year	1,567.18	262.12	-	257.17	-	2,086.47

As Per Our Report Of Even Date

For Khare Pamecha & Co.
Chartered Accountants (FRN: 006067C)

FOR AND ON BEHALF OF BOARD OF DIRECTORS

CA. Sumit Shastri
Partner
M No. 161894
Place: Bhopal
Date: 21/11/2022

Poonam Chouksey
Chairman and
Managing Director
DIN: 02110270

Anupam Chouksey
Director
DIN: 02110273

Vishal Shivhare
Chief Financial
Officer

Mohita Ramsariya
Company Secretary &
Compliance Officer
M No. A69639

PARVATI SWEETNERS AND POWER LIMITED
CIN: L15421MP2011PLC027287
RESTATED CASHFLOW STATEMENT

(Rs. in Lakhs)

Particulars	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Cash Flow from Operating Activities			
Profit before tax and extraordinary items	71.26	163.20	39.58
Adjusted for :			
Depreciation / amortization expense	449.07	447.85	453.20
Interest Income	(0.52)	(0.36)	(0.70)
Finance Cost	353.13	287.66	266.99
Investment written off	-	-	0.003
Profit on sale of fixed asset	(8.31)	-	-
Operating profit before working capital changes	864.64	898.36	759.07
Adjusted for :			
Trade and other receivables	582.76	390.81	(6.21)
Inventories	(1,312.32)	(2,216.46)	97.65
Trade and other payables	396.86	737.03	(1,255.13)
Cash Generated from Operations	531.93	(190.26)	(404.62)
Taxes Paid (Net)			-
Net Cash Generated from / (Used in) Operating Activities	531.93	(190.26)	(404.62)
Cash Flow from Investing Activities			
Purchase of Property, plant & equipments	(75.78)	(149.70)	(44.73)
Capital work in progress, Capital Advances	(128.13)	(115.18)	(502.44)
Profit/(loss) on Sale of Assets	8.31	-	-
Interest Received	0.52	0.36	0.70
Loans and advances Long Term	37.80	108.97	21.30
Net Cash (Used in) / Generated from Investing Activities	(157.29)	(155.55)	(525.17)
Cash Flow from Financing Activities			
Proceeds from Share Capital	966.30	-	-
Proceeds from Long Term Borrowings	(221.11)	(509.64)	455.36
Repayment of Long Term Borrowings	(1,314.82)	231.55	(396.79)
Repayment of Short Term Borrowings	933.17	646.98	1,052.64
Finance costs	(353.13)	(287.66)	(253.77)
Net Cash (Used in) Financing Activities	10.41	81.23	857.44
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	385.05	(264.58)	(72.35)
Cash & Cash Equivalents at Beginning of the Year	15.08	279.66	352.01
Cash & Cash Equivalents at End of the Year	400.13	15.08	279.66
Increase / (Decrease) in Cash & Cash Equivalents	385.05	(264.58)	(72.35)
Cash & Cash Equivalents comprises			
Cash on hand	37.46	3.78	48.23
Balances with banks	362.67	11.30	231.43

As Per Our Report Of Even Date

For Khare Pamecha & Co.
Chartered Accountants (FRN: 006067C)

FOR AND ON BEHALF OF BOARD OF DIRECTORS

CA. Sumit Shastri
Partner
M No. 161894
Place: Bhopal
Date: 21/11/2022

Poonam Chouksey
Chairman and
Managing Director
DIN: 02110270

Mohita Ramsariya
Company Secretary &
Compliance Officer
M No. A69639

Anupam Chouksey
Director
DIN: 02110273

Vishal Shivhare
Chief Financial
Officer

Parvati Sweetners and Power Limited

Notes forming part of the Restated Financial Statement

All amounts in Indian Rupees, unless otherwise stated

A. Corporate Information

Parvati Sweetners & Power Limited (the Company) was incorporated as Parvati Sweetners & Power Private Limited on 13th December, 2011 and later converted into a Public Limited Company on 24th January 2012 and its shares are listed on Bombay stock exchange (BSE). Parvati Sweetners and Power Limited is a manufacturer of Sugar, and its by-products. The company has its registered office in Bhopal, Madhya Pradesh. The company has an Sugar, and its by-products manufacturing plant at Village Sankhini, Tehsil Bitarwar, Dist: Gwalior.

B. Significant accounting policies

i. Statement of compliance

The restated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015, read with section 133 of the Companies Act, 2013.

ii. Basis of Preparation:

The restated financial statements have been prepared on accrual basis and under the historical cost convention except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The restated financial statements including notes thereon are presented in Indian Rupees in Lakhs ("Rupees" or "INR"), which is the Company's functional and presentation currency. All amounts disclosed in the restated financial statements including notes thereon have been rounded off to the nearest Rupee as per the requirement of Schedule III to the Act, unless stated otherwise.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.

iii. Inventories

Inventories are valued at lower of cost and net realizable value, except scrap are valued at net realizable value. Cost of inventory is arrived at by using Moving Average Price Method. Cost of inventory generally comprises of cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition. By products and Saleable scraps, whose cost is not identifiable, are valued at estimated net realizable value.

iv. Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company assesses its revenue arrangements against specific criteria, i.e., whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, in order to determine if it is acting as a principal or as an agent. Revenue is recognized, net of trade discounts, and taxes, as applicable.

(i) Revenue recognition: Sale of Goods

Revenue from Sale of goods is recognized at the time of transfer of substantial risk and rewards of ownership to the buyer for a consideration. It includes excise duty and cess and excludes GST, Sales Tax / VAT, Trade discounts and rebates.

Parvati Sweetners and Power Limited

Notes forming part of the Restated Financial Statement

All amounts in Indian Rupees, unless otherwise stated

(ii) Operation and Maintenance Income

Income from services is recognized as they are rendered (based on arrangement / agreement with the concern customers).

(iii) Dividend and Interest income

Dividend income from investments is recognized when the right to receive dividend has been established.

Interest income recognized on accrual basis. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

v. Property, Plant and Equipment

(i) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price inclusive of duties, taxes, after deducting trade discounts and rebates, incidental expenses, erection/ commissioning expenses, borrowing cost, any directly attributable cost of bringing the item to its working condition for its intended use and costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate components of property, plant and equipment.

A fixed asset is eliminated from the restated financial statements on disposal or when no further benefit is expected from its use and disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognized in Statement of Profit and Loss.

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any, Free hold land is measured at cost.

The cost of property plant and equipment comprises its purchase price net of any trade discount and rebates, any import duties and other taxes, any directly attributable expenditure on the asset ready for its intended use including relevant borrowing cost.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

(ii) Capital work in progress

Assets under erection/installation are shown as "Capital work in progress", Expenditure during construction period are shown as "pre-operative expenses" to be capitalized on erection/installations of the assets.

(iii) Depreciation

Depreciation on fixed assets is provided in the manner specified in Schedule II to the Companies Act, 2013 except based on technical evaluation the useful life of Solar power generation plant is considered 25 years which is different from that prescribed in schedule II of the Act. Depreciation of an asset is the difference between Original cost / revalued amount and the estimated residual value and is charged to the statement of profit and loss over the useful life of an asset on straight line basis. The estimated useful life of assets and estimated residual value is taken as prescribed under Schedule II to the Companies Act, 2013.

Depreciation on additions during the year is provided on pro rata basis with reference to date of addition/installation. Depreciation on assets disposed /discarded is charged up to the date on which such asset is sold. Freehold land and Assets held for sale are not depreciated.

vi. Intangible assets

Intangible assets are held at cost less accumulated amortization and impairment losses. Intangible assets developed or acquired with finite useful life are amortized on straight line basis over the useful life of asset

The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any

Parvati Sweetners and Power Limited

Notes forming part of the Restated Financial Statement

All amounts in Indian Rupees, unless otherwise stated

intangible assets with indefinite useful life. Intangible assets are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets - Computer software's are amortized over a period of 3 years.

vii. Impairment of non-current asset

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use).

The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

viii. Foreign currency transactions and translations

(i) All transactions in foreign currency are recorded at the rates of the exchange prevailing on the dates when the relevant transactions took place; any gain/ loss on account of the fluctuations in the rate of exchange is recognized in the statement of Profit and Loss.

(ii) Monetary items in the form of loans, current assets and current liabilities in foreign currencies at the close of the year are converted in the Indian currency at the appropriate rate of exchange prevailing on the dates of the Balance Sheet. Resultant gain or loss on account of fluctuation in the rate of exchange is recognized in the statement of Profit and Loss.

(iii) Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated in to functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

ix. Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

The Company has chosen to present grants related to an asset item as other income in the statement of profit and loss.

x. Employee benefits

Defined Contribution plan

Provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense when an employee renders the related service.

xi. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Parvati Sweetners and Power Limited

Notes forming part of the Restated Financial Statement

All amounts in Indian Rupees, unless otherwise stated

xii. Segment Accounting Policies

- (i) The company has disclosed business segment as the primary segment. Based on the criteria mentioned in Ind AS 108 "Operating Segment" the company has identified its reportable segments.

The Chief Operating Decision Maker (CODM) evaluates the company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit as performance indicator for all of the operating segments.

The Company has no reporting segment

xiii. Leases

Company as a lessee

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risk and rewards of ownership of the asset to the company. All the other leases are classified as operating leases.

Operating lease

Operating lease payments are recognized as expenditure in the Statement of Profit and Loss on a straight-line basis, unless another basis is more representative of the time pattern of benefits received from the use of the assets taken on lease or the payments of lease rentals are in line with the expected general inflation compensating the lessor for expected inflationary cost. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

xiv. Tax Expenses

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the restated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

For operations carried out under tax holiday period (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Parvati Sweetners and Power Limited

Notes forming part of the Restated Financial Statement

All amounts in Indian Rupees, unless otherwise stated

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realized.

xv. Provisions, contingent liabilities and contingent assets

Provisions are recognized when there is a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the restated financial statements

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized, but its existence is disclosed in the restated financial statements.

xvi. Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in statement of profit and loss.

(i) Financial Assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

(ii) Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. On initial recognition, the company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Parvati Sweetners and Power Limited

Notes forming part of the Restated Financial Statement

All amounts in Indian Rupees, unless otherwise stated

(iv) Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Other financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

(v) Impairment of financial assets (other than at fair value)

The company assesses at each date of balance sheet whether a financial asset or a company of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Financial liabilities and equity instruments Classification as debt or equity Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(vi) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(vii) Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method.

(viii) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

(ix) Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in balance sheet when and only when, the company has a legally enforceable right to set off the amount and it intends, either to settle them on net basis or to realize the asset and settle the liability simultaneously.

xvii. Investment in Subsidiaries

Investment in subsidiaries are measured at cost as per Ind AS 27 – Company have no Subsidiary.

Parvati Sweetners and Power Limited

Notes forming part of the Restated Financial Statement

All amounts in Indian Rupees, unless otherwise stated

xviii. Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

xix. Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xx. Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i. e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the restated financial statements by the Board of Directors.

xxi. Use of critical estimates, judgements and assumptions

The preparation of the Company's restated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(i) Property, plant and equipment

On transition to IND AS, the Company has adopted optional exemption under IND AS 101. On Property, plant and equipment depreciation charged on cost amount less estimated salvage value.

Property, plant and equipment also represent a significant proportion of the asset base of the Company. Therefore, the estimates and assumptions made to determine their carrying value and related depreciation are critical to the Company's financial position and performance.

(ii) Intangibles

Internal technical or user team assesses the remaining useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

(iii) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities.

The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone restated financial statements.

Parvati Sweetners and Power Limited

Notes forming part of the Restated Financial Statement

All amounts in Indian Rupees, unless otherwise stated

(iv) Contingencies

Management judgment is required for estimating the possible outflow of resources, if any, in respect of

Contingencies / claim/ litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(v) Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

xxii. Related Party Disclosures:

Related Party Disclosures are disclosed as Annexure – A to these notes.

xxiii. Restatement Adjustments, Material Regrouping, and Non-adjusting items:

a) Impact of restatement adjustment:

Below mentioned is the summary of results of restatement financial adjustments made to the audited financial statements of the respective period/ years and it's impacts on the profit.

(Rs in Lakhs)			
Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020
Profit after Tax as per audited financial statements	125.09	124.08	18.35
<u>Adjustments to Net Profit:</u>			
-Effect of Prior Period Expenses reduced from the period	(25.90)	5.91	13.64
-Prior Period Expenses Restated in the correct financial year	-	34.00	(5.91)
-(Increase)/ Decrease in Depreciation for the period	11.18	(2.79)	(2.79)
-Deferred Tax Adjustments	(1.34)	0.65	(15.06)
Total Adjustments for the period	(16.07)	37.76	(10.12)
Total profit as per Restated Financial Statements	109.02	161.85	8.23

Positive figure represents decrease in expense of the entity whereas, negative figure represents increase in the expenses, for the respective reporting periods to arrive restated numbers.

Parvati Sweetners and Power Limited

Notes forming part of the Restated Financial Statement

All amounts in Indian Rupees, unless otherwise stated

b) Explanatory notes for the restatement adjustments:

- I. The amount relating to the income/ expense have been adjusted in the year to which the same is related to and under which head the same relates to.
- II. The Company has provided excess or short provision in the year in which the Income Tax Return has been filed for the respective financial year but in the restated financial information the company has provided excess or short provision in the year to which it relates to.
- III. There is change in deferred tax liability as per the audited books of accounts and as per the restated books for respective financial covered under the restated financial information and the same has been given effect in the year to which the same related to.

c) Reconciliation of restated shareholders' fund:

(Rs in Lakhs)			
Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020
Total Shareholders' fund as per Audited financial statements	6,913.49	5,822.10	5,698.02
<u>Adjustments for:</u>			
Difference pertaining to effects of change in prior period items for the period covered in the restated financial statements	11.58	27.64	(10.12)
Prior Period Adjustments	(27.33)	(27.33)	(27.33)
Total Shareholders' fund as per Restated Financial Statements	6,897.73	5,822.41	5,660.56

For Khare Pamecha and Co.

Chartered Accountants (FRN: 006067C)

For and On Behalf of Board of Directors

CA. Sumit Shastri

(Partner)

M. No. 161894

Poonam Chouksey

Chairman and Managing Director

Anupam Chouksey

Director

Place: Bhopal

Date: 21/11/2022

Vishal Shivhare

Chief Financial Officer

Mohita Ramsasriya

Company Secretary and
Compliance Officer

Annexure - A to Notes forming part of Financial Statements
Related Party Disclosure

A. Enterprises who are the shareholders and where the directors or Promoters are interested:

1. M/s Ananajay Construction Private Limited
2. M/s Kalchuri Contractors Limited
3. M/s Vitamax Healthcare Private Limited
4. M/s Jayant Jaggery Products Private Limited
5. M/s Marium Leasing & Investment Private Limited
6. M/s Ananajay Pharmaceuticals Private Limited

B. Key Managerial Personnel

- | | | | |
|----|--------------------------|---|--|
| 1. | Mrs. Poonam Chouksey | - | Chairman and Managing Director |
| 2. | Mr. Jai Narayan Chouksey | - | Relative to Director |
| 3. | Mr. Vishal Shivhare | - | Chief Financial Officer |
| 4. | Mr. Deepak Chhugani | - | Company Secretary (Ceased to be KMP from 12.11.2020) |
| 5. | Mr. Parag Mittal | - | Company Secretary (Ceased to be KMP from 12.10.2022) |
| 6. | Mohita Ramsariya | - | Company Secretary (KMP from the date of 12.10.2022) |

S. No.	Particulars	Relationship	Nature of Transaction	Transaction During the Period ended 31st March 2022	Transaction During the Period ended 31st March 2021	Transaction During the Period ended 31st March 2020	Amount Outstanding as on 31st March 2022	Amount Receivable as on 31st March 2022
1 (i)	M/s Ananajay Construction Private Limited	Shareholder	Unsecured Loan Repaid	16,834,563	15,414,000	9,852,950	-	-
1 (ii)	M/s Ananajay Construction Private Limited	Shareholder	Unsecured Loan Taken	14,200,000	7,500,000	8,500,000	-	-
1 (iii)	M/s Ananajay Construction Private Limited	Shareholder	Outstanding Balance	-	-	-	175,791,677	-
2 (i)	M/s Ananajay Pharmaceuticals Private Limited	Common Directors	Advance Given	21,438,819	11,028,675	-	-	-
2 (ii)	M/s Ananajay Pharmaceuticals Private Limited	Common Directors	Advance Received Back	21,508,405	10,796,675	-	-	-
2 (iii)	M/s Ananajay Pharmaceuticals Private Limited	Common Directors	Outstanding Balance	-	-	-	-	162,414
3 (i)	M/s Marium Leasing & Investment Private Limited	Shareholder	Advance Given	3,780,000	11,000,000	2,130,000	-	-
3 (ii)	M/s Marium Leasing & Investment Private Limited	Shareholder	Advance Received Back	-	-	-	-	-
3 (iii)	M/s Marium Leasing & Investment Private Limited	Shareholder	Outstanding Balance	-	-	-	-	201,490,000
4 (i)	Kalchuri Contractors Limited	Common Directors	Unsecured Loan Repaid	146,180,271	54,846,167	8,456,190	-	-
4 (ii)	Kalchuri Contractors Limited	Common Directors	Unsecured Loan Taken	21,282,000	3,298,000	53,744,814	-	-
4 (iii)	Kalchuri Contractors Limited	Common Directors	Sale of Assets	3,894,000	-	-	-	-
4 (iv)	Kalchuri Contractors Limited	Common Directors	Outstanding Balance	-	-	-	73,771,527	-
5 (i)	M/s Jayant Jaggery Products Private Limited	Common Directors	Advance Received Back	53,240,541	89,735,644	-	-	-
5 (ii)	M/s Jayant Jaggery Products Private Limited	Common Directors	Advance Given	38,648,337	154,351,673	-	-	-
5 (iii)	M/s Jayant Jaggery Products Private Limited	Common Directors	Purchase of Finished Goods	32,445,827	-	-	-	-
5 (iv)	M/s Jayant Jaggery Products Private Limited	Common Directors	Outstanding Balance	-	-	-	-	17,577,998
6 (i)	Vitamax Healthcare Private Limited	Common Directors	Unsecured Loan Repaid	-	6,283,120	-	-	-
6 (ii)	Vitamax Healthcare Private Limited	Common Directors	Unsecured Loan Taken	-	6,283,120	-	-	-
6 (iii)	Vitamax Healthcare Private Limited	Common Directors	Advance Given	13,553,318	18,838,583	6,408,149	-	-
6 (iv)	Vitamax Healthcare Private Limited	Common Directors	Advance Received Back	26,154,401	6,237,500	6,408,149	-	-
6 (v)	Vitamax Healthcare Private Limited	Common Directors	Outstanding Balance	-	-	-	-	-

7 (i)	Jai Narayan Chouksey	Shareholder	Unsecured Loan Repaid	125,000	225,150	1,980,900	-	-
7 (ii)	Jai Narayan Chouksey	Shareholder	Unsecured Loan Taken	-	850,000	3,580,900	-	-
7 (iii)	Jai Narayan Chouksey	Shareholder	Outstanding Balance	-	-	-	15,200,840	-
8 (i)	Poonam Chouksey	Chairman and Managing Director	Remuneration	6,000,000	6,000,000	6,000,000	-	-
8 (ii)	Poonam Chouksey	Chairman and Managing Director	Unsecured Loan Repaid	-	34,650.00	-	-	-
8 (iii)	Poonam Chouksey	Chairman and Managing Director	Unsecured Loan Taken	-	8,140,000.00	-	-	-
8 (iv)	Poonam Chouksey	Chairman and Managing Director	Outstanding Balance	-	-	-	8,105,350	-
9 (i)	Vishal Shivhare	Key Managerial Person	Remuneration	450,000	270,000	-	-	-
10 (i)	Deepak Chhugani*	Key Managerial Person	Remuneration	-	360,000	510,500	-	-
11 (i)	Parag Mittal**	Key Managerial Person	Remuneration	432,000	61,200	-	-	-

*Ceased to be KMP from 12.11.2020

**Ceased to be KMP from 12.10.2022

	(Rs. in Lakhs)										
	Free hold Land	Leasehold Land	Buildings	Plant and equipment	Tractor & Farm Equipment	Computer	Furniture and fixtures	Vehicles	Air Conditioner & Electronics	Laboratory Equipment	Total
Gross carrying amount											
Balance as at 31st March 2019	401.10	-	1,175.89	6,050.72	37.06	36.39	30.04	15.18	7.86	1.23	7,755.47
Additions during the year	1.69	-	-	10.92	3.55	2.52	0.79	17.50	7.78	-	44.74
Deduction / Retirement during the year	-	-	-	-	-	(0.01)	-	-	-	-	(0.01)
Balance as at 31st March 2020	402.80	-	1,175.89	6,061.64	40.61	38.90	30.83	32.67	15.64	1.23	7,800.20
Additions during the year	-	-	-	63.38	83.56	1.96	-	0.80	-	-	149.70
Deduction / Retirement during the year	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2021	402.80	-	1,175.89	6,125.03	124.16	40.85	30.83	33.47	15.64	1.23	7,949.90
Additions during the year	37.06	37.80	-	4.32	-	3.68	0.26	-	-	-	83.12
Deduction / Retirement during the year	-	-	-	(14.50)	-	-	-	-	-	-	(14.50)
Balance as at 31st March 2022	439.86	37.80	1,175.89	6,114.84	124.16	44.54	31.09	33.47	15.64	1.23	8,018.52
Accumulated Depreciation and impairment											
Balance as at 31st March 2019	-	-	190.22	1,799.71	22.82	32.37	16.75	10.34	3.27	0.51	2,075.99
Depreciation for the year	-	-	43.40	383.63	5.63	4.03	3.94	10.93	1.39	0.25	453.20
Deduction during the year	-	-	-	-	-	(0.0007)	-	-	-	-	(0.0007)
Balance as at 31st March 2020	-	-	233.62	2,183.34	28.45	36.40	20.69	21.28	4.66	0.76	2,529.19
Depreciation for the year	-	-	43.40	385.13	7.51	2.20	4.78	3.51	1.09	0.25	447.85
Deduction during the year	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2021	-	-	277.02	2,568.47	35.96	38.60	25.46	24.79	5.75	1.00	2,977.04
Depreciation for the year	-	-	43.29	382.55	11.52	5.10	1.44	3.60	1.41	0.17	449.07
Deduction during the year	-	-	-	(7.16)	-	-	-	-	-	-	(7.16)
Balance as at 31st March 2022	-	-	320.30	2,943.86	47.48	43.70	26.91	28.38	7.16	1.17	3,418.96
Net Carrying Amount											
As at 31st March 2019	401.10	-	985.67	4,251.01	14.24	4.02	13.30	4.83	4.59	0.72	5,679.48
As at 31st March 2020	402.80	-	942.27	3,878.30	12.16	2.49	10.15	11.40	10.98	0.47	5,271.01
As at 31st March 2021	402.80	-	898.87	3,556.55	88.21	2.25	5.37	8.69	9.89	0.23	4,972.86
As at 31st March 2022	439.86	37.80	855.58	3,170.98	76.69	0.84	4.19	5.09	8.48	0.06	4,599.57

Parvati Sweetners and Power Limited

CIN: L15421MP2011PLC027287

Notes to the Restated Financial Statement

Note 1.1: Capital Work in Progress			Fig in INR Lakhs
Discription of asset	Buildings	Plant and equipment	Total
Gross carrying amount			
Balance as at 1st April 2018	19.88	-	19.88
Additions during the year	-	-	-
Deduction / Retirement during the year	-	-	-
Balance as at 31st March 2019	19.88	-	19.88
Additions during the year*	130.76	509.03	639.79
Deduction / Retirement during the year	-	-	-
Balance as at 31st March 2020	150.64	509.03	659.67
Additions during the year*	52.45	-	52.45
Deduction / Retirement during the year	-	-	-
Balance as at 31st March 2021	203.09	509.03	712.12
Additions during the year*	128.13	-	128.13
Deduction / Retirement during the year	-	-	-
Balance as at 31st March 2022	331.22	509.03	840.25
Accumulated Depreciation and impairment			
Balance as at 31st March 2019	-	-	-
Depreciation for the year	-	-	-
Deduction during the year	-	-	-
Balance as at 31st March 2020	-	-	-
Depreciation for the year	-	-	-
Deduction during the year	-	-	-
Balance as at 31st March 2021	-	-	-
Depreciation for the year	-	-	-
Deduction during the year	-	-	-
Balance as at 31st March 2022	-	-	-
Net Carrying Amount			
As at 31st March 2019	19.88	-	19.88
As at 31st March 2020	150.64	509.03	659.67
As at 31st March 2021	203.09	509.03	712.12
As at 31st March 2022	331.22	509.03	840.25

(Rs. in Lakhs)			
Particulars	As at 31st Mar, 2022	As at 31st Mar, 2021	As at 31st Mar, 2020
Note - 1.1: Property, plant and equipment			
(a) Property, plant and equipment	4,599.57	4,972.86	5,271.01
(b) Capital work-in-progress	840.25	712.12	659.67
(d) Intangible assets			
	5,439.82	5,684.98	5,930.68
Note -2: Non Current Investments			
Investment in equity share (measured at deemed Cost)			
Investments in debt instrument (measured at amortised cost)			
<i>Unquoted</i>			
Investment in Gold Bond with ICICI bank	2.60	2.60	2.60
	2.60	2.60	2.60
(a) Aggregate amount of quoted investment and market value of thereof	-	-	-
(b) Aggregate amount of unquoted investment	-	-	-
(c) Aggregate impairment in value of investment	-	-	-
Note -3: Loans			
(Unsecured, considered good unless otherwise stated)			
Loan & Advances to Related Parties	2,014.90	2,052.70	2,162.70
Loan & Advances to Others	86.41	86.41	86.41
	2,101.31	2,139.11	2,249.11
Note -4: Other Non Current Financial Assets			
(Unsecured, considered good unless otherwise stated)			
Security deposits			
Bank balances			
Balance with bank in deposit account having original maturity of more than 12 months			
(Earmarked for credit facility granted by bank)			
Other receivables	1.03	1.03	32.66
	1.03	1.03	32.66
Note-5 :Inventories			
Finished Goods	6,830.96	5,588.81	3,401.28
Raw Materials and Components	131.57	61.40	32.47
	6,962.53	5,650.21	3,433.75
Note:			
Inventories are valued at lower of cost and net realisable value, except scrap valued at net realisable value.			
Note-6: Trade Receivable			
(Unsecured, considered good unless otherwise stated)			
Outstanding for more than 6 months	4.49	10.56	279.36
Others	782.72	819.51	80.65
Less: Provision for doubtful debts	-	-	-
	787.21	830.07	360.02

Parvati Sweetners and Power Limited
CIN: L15421MP2011PLC027287

Notes to the Restated Financial Statement

Note-7: Cash and Cash Equivalents			
Balances with banks :			
In Current Accounts	374.48	11.30	231.43
Cash on hand	37.46	3.78	48.23
Cheque Issued	(13.50)	-	-
Cheques on hand / transit	1.68	-	-
	400.13	15.08	279.66
Note-8: Loans			
(Unsecured, considered good unless otherwise stated)			
Security Deposits	35.99	39.10	13.92
Loan to Related Party	175.78	772.17	-
Cane Seed Advance	27.17	-	-
	238.95	811.27	13.92
Note-9: Other Current Assets			
Balance with government authorities	87.20	48.03	31.04
Advance to Suppliers	74.42	62.62	1,723.73
Capital Advances	202.59	188.78	93.39
Other receivables*	5.59	37.86	54.75
Prepaid expenses	4.42	4.51	1.71
	374.22	341.79	1,904.62
Note 10 : Equity share capital			
As disclosed in Restated Statement of Changes in Equity (SOCE).			
Note 11 :Other Equity			
A. Securities Premium Reserves			
Balance at the beginning of the year	1,567.18	1,567.18	1,567.18
	1,567.18	1,567.18	1,567.18
B. Other reserves			
i) General Reserve			
As per last balance sheet	262.12	262.12	262.12
Add : Transferred from Surplus in Statement of Profit and Loss	-	-	-
	262.12	262.12	262.12
iii) Retained earnings			
As per last balance sheet	450.42	288.57	280.35
Profit for the year	109.02	161.85	8.23
	559.44	450.42	288.57
Total	2,388.74	2,279.71	2,117.87
Nature and purpose of reserves			
i) Securities premium	Securities premium is used to record the premium received on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.		
ii) General reserve	The company has transferred a portion of the net profit before declaring dividend to general reserves pursuant to provision of companies act 1956. Mandatory transfer to general reserve is not required under the companies act 2013.		
Note-12: Long-term borrowings			
Secured			
Term loans- from Bank	1,080.53	1,146.58	915.03
	1,080.53	1,146.58	915.03
Less: Current Maturity disclosed under the head "other current financial liabilities" (Refer note 17)	455.73	300.67	300.61
	624.80	845.91	614.42

Parvati Sweetners and Power Limited
CIN: L15421MP2011PLC027287

Notes to the Restated Financial Statement

Note-13: Other Non Current Financials Liabilities			
Un Secured			
Loan From - Related Parties	2,727.07	4,041.89	4,551.53
	2,727.07	4,041.89	4,551.53
Note-14: Deferred Tax Liabilities (Net)			
Deferred Tax Liability			
Property, Plant and Equipment	409.62	447.38	446.03
Other deductible temporary differences	-	-	-
Gross Deferred Tax Liabilities (A)	409.62	447.38	446.03
	409.62	447.38	446.03
Note-15: Current Financials Liabilities- Borrowing			
Secured			
Loans Repayable on Demand			
Working capital loans from banks	3,949.42	3,016.25	2,369.27
	3,949.42	3,016.25	2,369.27
Note-16: Trade Payables			
Trade payables	729.48	587.69	-
	729.48	587.69	-
Note-17: Other Current Financial Liabilities			
Current maturities of long-term borrowings (Refer note 12)	455.73	300.67	300.61
Interest accrued on borrowings	2.78	4.94	26.29
Statutory Dues	47.41	45.34	26.38
Other Creditors	420.63	263.26	96.69
Others payable	12.46	-	34.22
	939.00	614.20	484.19
Note-18: Other Current Liabilities			
Advances from customers	18.00	40.25	22.60
Other Payables	10.17	55.72	56.97
	28.17	95.96	79.57
Note-19: Short-Term Provisions			
Other Provisions	2.50	4.45	1.45
	2.50	4.45	1.45
Note-20: Current tax liabilities (net)			
For Taxation	-	-	-
	-	-	-
Note-21: Revenue from Operations			
Sale of Finished Product	6,189.72	5,033.00	960.95
Sale of By Product	265.37	149.80	3,384.21
Other Operating revenue	682.73	671.35	674.11
	7,137.82	5,854.14	5,019.27

Parvati Sweetners and Power Limited
CIN: L15421MP2011PLC027287

Notes to the Restated Financial Statement

Note-22: Other Income			
Interest Income	0.52	0.36	0.70
Profit on Sale of Fixed Asset	8.31	28.04	-
Other receipts			
Subsidy on Interest	-	-	3.69
Miscellaneous Income	14.57	0.09	0.87
	23.39	28.49	5.26
Note-23: Cost of Materials Consumed			
Materials Consumed	6,658.77	6,238.56	4,235.98
Agriculture Expense	412.34	173.82	7.08
	7,071.11	6,412.39	4,243.06
Note-24: Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade			
Opening Stock			
Finished Goods	5,588.81	3,401.28	2,754.54
Stores and Spares	61.40	32.47	76.37
	5,650.21	3,433.75	2,830.92
Closing Stock			
Finished Goods	6,830.96	5,588.81	3,401.28
Stores and Spares	131.57	61.40	32.47
	6,962.53	5,650.21	3,433.75
	(1,312.32)	(2,216.46)	(602.83)
Note-25: Employee benefits expenses			
Salaries, wages and bonus	125.26	210.30	129.96
Contribution to provident fund and other funds	5.92	4.05	4.97
Staff welfare expenses	3.91	3.42	3.52
	135.09	217.77	138.45
Note-26: Finance costs			
Interest expenses on:			
Borrowings from Banks	349.27	274.29	223.46
Other borrowing cost	3.86	13.37	43.52
	353.13	287.66	266.99
Note-27: Other expenses			
Power and Fuel	33.71	35.07	40.26
Electricity Expenses	44.26	51.36	44.33
Legal and Professional	28.76	28.45	26.68
Rates and Taxes excluding taxes on Income	12.17	1.50	2.53
Govt Challan and Fees	47.01	14.87	2.94
Warehouse Rent	9.47	23.94	9.05
Repairs to Machinery, Building and Others	113.58	287.72	229.41
Security Charges	2.43	29.96	27.68
Advertisement & Publicity	-	-	0.53
Donation	-	2.05	-
Transport and Travelling Expense	66.93	59.47	29.02
Communication Expenses	3.94	3.56	2.56
Vehicle Hire Charges	12.80	12.40	28.34
Miscellaneous Expenses	18.82	19.87	42.74
	393.88	570.21	486.08

Parvati Sweetners and Power Limited

Notes to the Restated Financial Statement

All amounts in Indian Rupees, unless otherwise stated

Note-28: Tax Expense

a) Tax expense recognised in the statement of Profit and Loss:

i) Income tax related to items recognised directly in profit or loss of the consolidated statement of profit and loss during the year:

Particulars	Audited Period		
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020
Current tax			
Current tax on profits for the year	-	-	-
MAT Credit Entitlement	-	-	-
Adjustments for current tax of prior periods	-	-	-
Total current tax expense	-	-	-
Deferred tax			
Relating to origination and reversal of temporary differences	(3,776,427)	135,552	3,135,900
Income tax expense reported in the statement of profit and loss	(3,776,427)	135,552	3,135,900

ii) Deferred tax related to items recognized in other comprehensive income (OCI) during the year:

Particulars	Audited Period		
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020
Deferred tax on remeasurement gains/(losses) on defined benefit plan	-	-	-
Deferred tax charged to OCI	-	-	-

29. Leases - Where company is lessee

The Company has taken office and go down premises under cancellable operating lease agreements. These are renewable / cancellable on periodic basis at the option of both lessor and Lessee. The Company has not recognized any contingent rent as expense in the statement of profit and loss.

The aggregate amount of lease payments recognized in the statement of profit and loss are mentioned below:

Financial Year	Amount of Lease Payments
Year ended as at 31 st March 2020	Rs. 9,04,588
Year ended as at 31 st March 2021	Rs. 23,94,020
Year ended as at 31 st March 2022	Rs. 9,47,423

30. Earnings per Share

Particulars	Year ended as at 31 st March 2022	Year ended as at 31 st March 2021	Year ended as at 31 st March 2020
Net Profit after tax	1,09,02,061	1,61,84,693	8,22,520
Weighted Average Number of Equity Shares	9,01,79,982	7,08,53,917	7,08,53,917
Nominal value per share Re.	5	5	5
Basic & Diluted Earnings Per Share (Re.)	0.12	0.23	0.01

31. Pursuant to disclosure pertaining to Section 186 (4) of the Companies Act, 2013 the following are the details thereof

Nil.

32. Dividend remitted in foreign currency to Non-Resident Shareholders

Particulars	Year ended as at 31 st March 2022	Year ended as at 31 st March 2021	Year ended as at 31 st March 2020
Dividend	Nil	Nil	Nil

33. Earnings in foreign currency

Nil.

34. Expenditure in foreign currency

Particulars	Year ended as at 31 st March 2022	Year ended as at 31 st March 2021	Year ended as at 31 st March 2020
Expenditure	Nil	Nil	Nil

35. Payment to Auditor

Particulars	Year ended as at 31 st March 2022	Year ended as at 31 st March 2021	Year ended as at 31 st March 2020
For Statutory Audit	130000	130000	130000
For Tax Audit	15000	15000	15000
For Other Services	105000	105000	105000
For Reimbursement of Expenses	-	-	-

36. Disclosure Pursuant to regulation 34(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015:

a) Loans and Advances in the nature of Loans to Subsidiary:

Company has no Subsidiary.

b) Loans and Advances in the nature of loan to Associates, Related Party and Parties where directors are interested:

Particulars	Maximum Balances during the period		
	Year ended as at 31 st March 2022	Year ended as at 31 st March 2021	Year ended as at 31 st March 2020
Jayant Jaggery Products Private Limited	8,07,70,924	6,46,16,029	Nil
Vitamax Healthcare Private Limited	1,32,73,634	1,26,16,083	Nil
Ananjay Pharmaceuticals Private Limited	(47,32,000)	94,59,308	Nil
Marium Leasing and Private Limited	20,52,00,000	21,62,70,000	21,84,00,000

c) The above Advances fall under the category of loans, which are repayable on demand.

37. Corporate Social Responsibility

The company does not fall under section 135 of Corporate Social Responsibility.

Note - 38: Financial risk management objectives and policies

In its ordinary operations, the companies activities expose it to the various types of risks, which are associated with the financial instruments and markets in which it operates. The company has a risk management policy which covers the foreign exchanges risks and other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the board of directors. The following is the summary of the main risks:

a) Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates (currency risk) and interest rates (interest rate risk), will affect the companies income or value of it's holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i) Interest rate risk:

Interest rate risk is the risk the the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rate. Fair value interest rate risk is the risk of changes in fair value of fixed interest bearing financial instrument because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing financial instrument will fluctuate because of fluctuations in the interest rates.

The Company's exposure to the risk of changes in market interest rates relates primarily to the borrowing from banks. Currently company is not using any mitigating factor to cover the interest rate risk.

Particulars	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Interest rate risk exposure			
Borrowings from banks	502,994,911	416,282,770	328,429,726
Total borrowings	502,994,911	416,282,770	328,429,726

ii) Interest rate sensitivity

The sensitivity analysis below have been determined based on exposure to interest rates for borrowing at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of term loans that have floating rates. If the interest rates had been 1% higher or lower and all the other variables were held constant, the effect on Interest expense for the respective financial years and consequent effect on companies profit in that financial year would have been as below:

Particulars	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Impact on Profit or Loss for the year decrease	5,029,949	4,162,828	3,284,297
Impact on Profit or Loss for the year Increase	(5,029,949)	(4,162,828)	(3,284,297)

iii) Foreign currency risk

Company Have No Foreign Currency Exposure

(b) Credit risk

Credit risk is the risk that arises from the possibility that the counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

Financial assets that are subject to such risk, principally consist of trade receivables, Investments and loans and advances. None of the financial instrumts of the company results in material concentration of credit risk.

Financial assets are written off when there is no reasonable expectation of recovery, however, the Company continues to attempt to recover the receivables. Where recoveries are made, these are recognised in the Statement of Profit and Loss.

The impairment for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each balance sheet date.

Trade and other receivables

The ageing analysis of the trade receivables has been considered from the date the invoice falls due:

Particular	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Up to 6 months	78,271,948	81,950,714	8,065,317
More then 6 months	448,633	1,055,928	27,936,493
Total	78,720,581	83,006,642	36,001,810

The following table summarizes the change in the loss allowances measured using expected credit loss:

Particulars	Amount
Balance as at 31st March, 2019	-
Provided during the year	-
Reversed during the year	-
Balance as at 31st March, 2020	-
Provided during the year	-
Reversed during the year	-
Balance as at 31st March, 2021	-
Provided during the year	-
Reversed during the year	-
Balance as at 31st March, 2022	-

Parvati Sweetners and Power Limited

Notes to the Restated Financial Statement

All amounts in Indian Rupees, unless otherwise stated

Investments:

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counter-parties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties apart from those already given in financials, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

(c) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due.

The Company has obtained fund and non-fund based working capital lines from various banks. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, process and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Expected contractual maturity for derivative and non derivative Financial Liabilities:

Particulars	Fig in INR			
	Less than 1 year	1 to 5 years	>5 years	Total
Balance as at 31st March, 2022				
Non Derivative Financial Liabilities:				
Borrowings	44,05,15,321	33,51,86,570	-	77,57,01,891
Trade payables	7,29,48,272	-	-	7,29,48,272
Other financial liabilities	4,83,27,236	-	-	4,83,27,236
Total	56,17,90,829	33,51,86,570	-	89,69,77,399
Balance as at 31st March, 2021				
Non Derivative Financial Liabilities				
Borrowings	33,16,91,698	48,87,80,300	-	82,04,71,998
Trade payables	5,87,68,629	-	-	5,87,68,629
Other financial liabilities	3,13,53,237	-	-	3,13,53,237
Total	42,18,13,564	48,87,80,300	-	91,05,93,864
Balance as at 31st March, 2020				
Non Derivative Financial Liabilities				
Borrowings	26,69,87,635	51,65,95,286	-	78,35,82,921
Trade payables	-	-	-	-
Other financial liabilities	1,83,58,036	-	-	1,83,58,036
Total	28,53,45,671	51,65,95,286	-	80,19,40,957

Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

Gearing Ratio:

Particulars	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021	For the Year Ended 31st March, 2020
Debt (Refer Notes 12, 13, 15 and 17):			
Long-term Debt	6,24,79,590	8,45,91,072	6,14,42,091
Current maturities of long-term debt	4,55,73,073	3,00,66,636	3,00,60,829
Loan From - Related Parties	27,27,06,980	40,41,89,228	45,51,53,195
Working capital loans from banks	39,49,42,248	30,16,25,062	23,69,26,806
Interest accrued on borrowings	2,78,480	4,94,063	26,29,247
	77,59,80,371	82,09,66,061	78,62,12,168
Cash and cash equivalent (Refer Note 7)	4,00,13,138	15,08,054	2,79,66,092
Adjusted net Debt	73,59,67,233	81,94,58,007	75,82,46,076
Total Equity	68,97,73,463	58,22,41,077	56,60,56,384
Net Debt to equity ratio	1.07	1.41	1.34

Note- 39: Financial Instruments by Category and fair value heirarchy

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

As 31st March 2022	Fair Value Measurement			Fair Value hierarchy		
Particulars	FVTPL	FVTOCI	Amortised Cost	Level-1	Level-2	Level-3
Financial assets						
Investments in Mutual Fund	-	-	-	-	-	-
Cash and cash equivalents	-	-	40,013,138	-	-	-
Bank balances other than cash and cash equivalents	-	-	-	-	-	-
Trade Receivables	-	-	78,720,581	-	-	-
Other financial assets	-	-	23,894,586	-	-	-
Total	-	-	142,628,305	-	-	-
Financial liabilities						
Borrowings	-	-	775,701,891	-	-	-
Trade Payables	-	-	72,948,272	-	-	-
Other financial liability	-	-	48,327,236	-	-	-
Total	-	-	896,977,399	-	-	-

As 31st March 2021	Fair Value Measurement			Fair Value hierarchy		
Particulars	FVTPL	FVTOCI	Amortised Cost	Level-1	Level-2	Level-3
Financial assets						
Investments in Mutual Fund	-	-	-	-	-	-
Cash and cash equivalents	-	-	1,508,054	-	-	-
Bank balances other than cash and cash equivalents	-	-	-	-	-	-
Trade Receivables	-	-	83,006,642	-	-	-
Other financial assets	-	-	81,127,472	-	-	-
Total	-	-	165,642,168	-	-	-
Financial liabilities						
Borrowings	-	-	820,471,998	-	-	-
Trade Payables	-	-	58,768,629	-	-	-
Other financial liability	-	-	31,353,237	-	-	-
Total	-	-	910,593,864	-	-	-

As 31st March 2020	Fair Value Measurement			Fair Value hierarchy		
Particulars	FVTPL	FVTOCI	Amortised Cost	Level-1	Level-2	Level-3
Financial assets						
Investments in Mutual Fund	-	-	-	-	-	-
Cash and cash equivalents	-	-	27,966,092	-	-	-
Bank balances other than cash and cash equivalents	-	-	-	-	-	-
Trade Receivables	-	-	36,001,810	-	-	-
Other financial assets	-	-	1,392,365	-	-	-
Total	-	-	65,360,267	-	-	-
Financial liabilities						
Borrowings	-	-	783,582,921	-	-	-
Trade Payables	-	-	-	-	-	-
Other financial liability	-	-	18,358,036	-	-	-
Total	-	-	801,940,957	-	-	-

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Ind AS. An explanation for each level is given below:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

40. Previous year's figures are regrouped or rearranged wherever considered necessary, to make them comparable with current year's figure.

Further details related to the Restatement Adjustments, Material Regrouping, and Non-adjusting items, are disclosed under point (xxiii) of Notes forming part of Restated financial statements.

For Khare Pamecha and Co.

Chartered Accountants (FRN: 006067C)

For and On Behalf of Board of Directors

**CA. Sumit Shastri
(Partner)
M. No. 161894**

Poonam Chouksey
Chairman and Managing Director

Anupam Chouksey
Director

Place: Bhopal
Date: 21/11/2022

Vishal Shivhare
Chief Financial Officer

Mohita Ramsariya
Company Secretary and
Compliance Officer

Unaudited Limited Reviewed financials for the half year ended September 30, 2022



Khare Pamecha & Co.

Chartered Accountants

M-343, Gautam Nagar, Bhopal - 462023 ☎ 0755-4280476

Limited Review Report on Interim Financial Results

Review report to the Board of Directors of Parvati Sweetners & Power Ltd.

We have reviewed the accompanying statement of Unaudited Financial Results of Parvati Sweetners & Power Ltd. for the quarter and six months period ended on 30 September 2022. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed or that it contains any material misstatement.

For Khare Pamecha & Co.
Chartered Accountants (FRN 006067C)


CA Sumit Shastri
Partner
M.No. 161894



UDIN: 22161894BCKEVE2181
Place: Bhopal
Date: 07/11/2022

Parvati Sweetners and Power Limited
 Regd. off.: Hall No. 2, Shopping Complex, Gomantika Parisar, Jawahar Chowk, Bhopal - 462003
 CIN : L15421MP2011PLC027287
 Statement of Standalone Unaudited Financial Results for the Quarter and Six Month Ended as on 30th Sep, 2022

(Rs. in lakhs)

Particulars	Quarter Ended			Standalone Half Year Ended		Standalone Year Ended
	3 Months ended	3 Months ended	Preceding 3 Months ended	Year to date figures for six months ended	Year to date figures for six months ended	Previous Year ended
	30-09-2022	30-06-2022	30-09-2021	30-09-2022	30-09-2021	31-03-2022
1. Revenue from operations	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
2. Other income	2893.07	2846.71	1320.24	5739.78	2640.25	7137.82
3. Total Revenue (1 + 2)	0.14	0.12	3.78	0.26	3.89	23.39
4. Expenses	2893.21	2846.83	1324.02	5740.04	2644.14	7161.21
Cost of materials consumed	1.08	0.30	0.00	1.38	251.63	4583.44
Purchase Stock in Trade	1521.05	1418.54	252.84	2939.59	222.35	2462.67
Changes in Inventories of finished goods, work-in-progress and stock in trade	1363.29	1135.11	805.69	2498.40	1615.39	1312.32
Employee benefits expense	25.19	9.93	17.41	35.12	30.81	135.09
Finance costs	87.62	102.57	79.04	190.19	180.45	353.13
Depreciation and amortisation expense	108.95	113.53	110.34	222.48	221.08	460.25
Other expenses	109.04	57.04	48.01	166.08	167.20	892.98
Total Expenses	3216.22	2837.02	1313.53	6053.24	2632.91	7075.24
5. Profit before tax (3 - 4)	-323.01	9.81	10.49	-313.26	11.23	85.97
6. Tax Expense						
(1) Current Tax	0.00	0.00	0.00	0.00	0.00	0.00
(2) Deferred Tax	-4.44	-6.03	1.96	-10.53	-7.79	-39.11
7. Profit for the period (5-6)	-318.57	15.90	8.53	-302.67	19.02	125.08
8. Other comprehensive income						
A. Items that will not be reclassified to profit or loss						
- Remeasurement of net defined benefit obligation (net of taxes)	0.00	0.00	0.00	0.00	0.00	0.00
Total comprehensive income	-318.57	15.90	8.53	-302.67	19.02	125.08
9. Paid-up equity share capital (Face value per share of Re 5/- each)	4509.60	4509.00	4509.00	4509.00	4509.00	4509.00
10. Other Equity						
11. Earnings per equity share (not annualised for quarter)						2404.49
(1). Basic	-0.35	0.02	0.01	-0.34	0.02	0.14
(2). Diluted	-0.35	0.02	0.01	-0.34	0.02	0.14

Notes:

- The statement of unaudited financial results for the quarter and six month ended Sep 30, 2022 has been reviewed by the audit committee and approved by the Board of directors at their respective meeting held on 07-11-2022.
- The statutory auditors of Parvati Sweetners and Power Limited ("the Company") have carried out limited review of above results in term of regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) regulation, 2015
- Figures of the previous periods have been regrouped and reclassified where ever necessary and feasible, in order to make them comparable.
- The company is engaged in only one segment viz manufacturing of sugar, as such there is no separate reportable segment as per the Ind AS 108 Operating Segment.

Place: Bhopal
 Date : 07-11-2022

Parvati Sweetners and Power Ltd.

Director/Authorised Signatory

For & on behalf of the Board of Directors
 Parvati Sweetners and Power Limited

Poonam Chouksey
 Managing Director
 DIN: 02110270



PARVATI SWEETNERS AND POWER LIMITED
CIN : L15421MP2011PLC027287
BALANCE SHEET AS AT 30TH SEPTEMBER 2022

Particulars	Fig in Lakhs	
	As at 30th Sep, 2022	As at 31st March 2022
ASSETS		
Non-current assets		
(a) Property, Plant and Equipment	4,404.50	4,599.57
(b) Capital work-in-progress	842.23	840.25
(c) Financial assets		
(i) Non current investments	2.60	2.60
(ii) Loans	2,101.31	2,101.31
(d) Other non-current assets		1.03
Total non-current assets	7,350.64	7,544.76
Current assets		
(a) Inventories		
(b) Financial assets	4,464.13	6,962.53
(i) Current investments	-	-
(ii) Trade receivables	227.03	787.21
(iii) Cash and cash equivalents	49.39	400.13
(iv) Bank balances other than (iii) above	615.25	238.95
(v) Loans		
(vi) Other financial assets		
(c) Other current assets	557.88	374.22
Total current assets	5,913.68	8,763.04
Total assets	13,264.32	16,307.80
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	4,509.00	4,509.00
(b) Other equity	2,101.80	2,404.49
Total equity	6,610.80	6,913.49
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Long term borrowings	493.56	624.80
(ii) Other Financial liabilities	3,028.10	2,727.08
(b) Provisions		
(c) Deferred tax liabilities (net)	383.34	393.86
Total non-current liabilities	3,905.00	3,745.74
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	2,383.54	3,949.42
(ii) Trade payables	6.69	729.48
(iii) Other financial liabilities	345.64	939.00
(b) Other current liabilities	9.41	28.17
(c) Provisions	3.24	2.50
(d) Current tax liabilities (net)		
Total current liabilities	2,748.52	5,648.57
Total liabilities	6,653.52	9,394.31
Total equity and liabilities	13,264.32	16,307.80

For Parvati Sweetners and Power Ltd.

(Signature)



PARVATI SWEETNERS AND POWER LIMITED
CIN : L15421MP2011PLC027287

CASH FLOW STATEMENT FOR THE PERIOD ENDED 30TH SEPTEMBER 2022

Fig in Lakhs

	For the period ended 30th Sep, 2022	For the period ended 31st March, 2022
Cash Flow from Operating Activities		
Profit before tax and extraordinary items		
Adjusted for :	-313.22	85.98
Depreciation / amortization expense		
Interest Income	222.48	460.25
Finance Cost	-0.26	-0.52
Profit on sale of fixed asset	190.19	353.13
Operating profit before working capital changes		-8.31
Adjusted for :	99.19	890.53
Trade and other receivables		
Inventories	0.22	588.95
Trade and other payables	2,498.40	-1,312.32
Cash Generated from Operations	-878.44	361.86
Taxes Paid (Net)	1,719.37	529.02
Net Cash Generated from / (Used in) Operating Activities	1,719.37	529.02
Cash Flow from Investing Activities		
Purchase of Property, plant & equipments	-27.40	-75.78
Capital work in progress; Capital Advances	-1.98	-128.13
Loss on Sale of Investment	-	8.31
Interest Received	0.26	0.52
Loans and advances Long Term	1.03	37.80
Net Cash (Used in) / Generated from Investing Activities	-28.09	-157.28
Cash Flow from Financing Activities		
Proceeds from Share Capital		966.30
Proceeds from Long Term Borrowings	-131.24	-221.11
Repayment of Long Term Borrowings	301.03	-1,314.82
Repayment of Short Term Borrowings	-2,021.62	933.17
Finance costs	-190.19	-353.13
Net Cash (Used in) Financing Activities	-2,042.02	10.41
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	-350.74	382.15
Cash & Cash Equivalents at Beginning of the Year	400.13	17.98
Cash & Cash Equivalents at End of the Year	49.39	400.13
Increase / (Decrease) in Cash & Cash Equivalents	-350.74	382.15
Cash & Cash Equivalents comprises		
Cash on hand	35.99	37.46
Balances with banks	13.40	362.67

For Parvati Sweetners and Power Ltd.

Director / Authorised Signatory



STATEMENT OF ACCOUNTING RATIOS

The following table sets forth the accounting ratios as at March 31, 2022, March 31, 2021 and March 31, 2020:
(all amounts in ₹ Lakhs, unless stated otherwise)

S. No.	Particulars	As at September 30, 2022	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
A.	Net Worth	6595.47	6897.73	5822.41	5660.56
B.	Profit / (Loss) attributable to the owners of the equity	(302.27)	109.02	161.85	8.23
C.	Number of the shares outstanding at the end of the year	90179982	90179982	70853917	70853917
	Weighted Number of the shares outstanding at the end of the year				
D.	- for basic earnings per share	90179982	90179982	70853917	70853917
E.	- for diluted earnings per share	90179982	90179982	70853917	70853917
F.	Basic earnings per share (B/D) – In ₹.	(0.34)	0.12	0.23	0.01
G.	Restated diluted earnings per share (B/E) - In ₹.	(0.34)	0.12	0.23	0.01
H.	Return on net worth (%) (B/A)	(4.58)	1.58	2.78	0.15
	Net Asset Value per share				
I.	- based on weighted average number of shares (A/D) - In ₹.	7.31	7.65	8.22	7.99
J.	- assuming actual number of equity shares with fully diluted capital in prior years (A/E) - In ₹.	7.31	7.65	8.22	7.99
K.	EBITDA	99.46	873.46	898.72	759.77
L.	Face value – in ₹	5	5	5	5

Notes:

1. The amounts disclosed are based on Restated Financial Information of the Company

Basic earnings per share $\frac{\text{Net profit, attributable to the owners of the company}}{\text{Weighted average no. of equity shares during the year}}$

Diluted earnings per share $\frac{\text{Net profit, attributable to the owners of the company}}{\text{Weighted average no. of dilutive equity shares during the year}}$

Return on net worth (%) $\frac{\text{Net profit, attributable to the owners of the company}}{\text{Net worth, including share capital and reserves and surplus, as restated at the end of the year}}$

Net asset value per equity share $\frac{\text{Net worth, including share capital and reserves and surplus, as restated at the end of the year}}{\text{No. of equity shares outstanding at the end of the year}}$

EBITDA Profit before tax and exceptional items + Finance costs + Depreciation and amortisation expense

CAPITALIZATION STATEMENT

Statement of Capitalization

(In ₹ Lakhs)

Particulars		Pre-Issue as at 31st Mar 2022	As adjusted for the issue (Post Issue) *
Borrowings:			
Current borrowings	A	3,949.42	[●]
Non-current borrowings	B	624.80	[●]
Total borrowings	C=A+B	4,574.22	[●]
Shareholder's fund (Net worth)			[●]
Share Capital	D	4,509.00	[●]
Other Equity^	E	2,404.49	[●]
Total shareholder's fund (Net worth)	F=D+E	6,913.49	[●]
Non-current borrowing's/shareholder's fund (Net worth) ratio	B/F	0.09	[●]
Total borrowings /shareholders' funds (Net worth) ratio	C/F	0.66	[●]

*To be updated in the Letter of Offer

^excludes non-controlling interest

Notes:

1. Non-current borrowings are considered as borrowings other than short term borrowings and include current maturities of long-term borrowings.
2. The amounts disclosed above are based on the Restated Financial Statements of the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with the "Restated Financial Statements" on page 85 of this Draft Letter of Offer. 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 also read "Risk Factors" and "Forward Looking Statements" on page 19 and 14 respectively of this Draft Letter of Offer, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.

Our restated financial statements included in this Draft Letter of Offer are prepared in accordance with Ind AS, which differs in certain material respects from other accounting standards such as IFRS. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, the financial information for Financial 2022, Financial 2021 and Financial 2020 included herein is based on the Restated Financial Statements, included in this Draft Letter of Offer. For further information, see "Restatement Financial Information" on page 85 of this Draft Letter of Offer.

OVERVIEW OF OUR BUSINESS

The Company, a part of the LNCT group, Bhopal, Madhya Pradesh is a broad based and integrated sugar company with extensive interests in sugar. We have a sugar plant in Village Sankhini, Gwalior Madhya Pradesh which can crush up to 2500 MT per day and our core business includes sugar and sugar products. . The Company intends to invest in installing a new advanced Ethanol Plant to generate more power with less steam. Our Equity Shares are listed on the BSE.

OUR BUSINESS STRATEGIES

Our Business Strategies

1. Increasing operational efficiency

Our product portfolio consists of sugar and its bye-products manufactured by processing its residual products. Hence operational efficiency for each product is related to its previous product's efficiency and quality. We continue to invest in increasing our operational efficiency throughout the organisation. We are addressing the increase in operational output through continuous process improvement, increasing recovery rate through timely sugarcane crushing, technology development throughout the products, consistent quality and customer service. We also strive to achieve alignment of our people towards 'process improvement' through change management and upgrading of skills for latest technology and as required for customer satisfaction is a continuous activity. Awareness of this quality commitment is wide spread among all the employees.

2. Explore possibilities of geographical expansion

Our Company is currently situated in Gwalior District of Madhya Pradesh and our Company intends to propose to explore other geographical locations.

3. Production of Ethanol

We are looking towards capitalizing the opportunity of India's target of attaining 20% ethanol blending by 2025. As the Government is encouraging the production of ethanol from sugar producers, by making its production more commercially viable and attractive. We propose to setup an ethanol plant & power co-generation plant in the coming years, which will give our Company a major foothold in the industry.

4. Augment our fund-based capacities in order to scale up business operations

The sugar industry is characterised by high debtors and advance payments to farmers and harvesting & transportation agents. Also, the credit period enjoyed by us is considerably short due to creditors being mainly farmers with whom we need to maintain cordial relations in order to ensure they sell the sugarcane produce to us. However, we generally offer substantial credit period to our customers, mainly being entities in the

food, petroleum, beverages, and also government agencies. Further, during the crushing season, we have to make advance payments for various minor raw materials, utilities and other services so as to carry out the uninterrupted crushing. Thus, our operations are working capital intensive.

We believe that companies with high liquidity on their balance sheet would be able to better negotiate with sugarcane suppliers. With the de-regulation of the sugar industry, farmers are free to sell their produce where they like and are not obligated to sell any portion of the same to us. Better liquidity will also provide us with sufficient incentives to ensure the farmers prefer us for selling their sugarcane produce in each season. Reducing the loan from our balance sheet will also enable us to save a considerable interest cost.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled 'Risk Factors' on page 19 of this Draft Letter of Offer. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- adverse changes in central or state government policies
- trends in the Indian Sugar industry;
- adverse development that may affect our operations
- performance of our key clients;
- adverse effect of competition on our market share and profits;
- any qualifications or other observations made by our future statutory auditors which may affect our results of operations;
- Any adverse development that may affect the operations of our manufacturing unit;
- changes in technology and our ability to manage any disruption or failure of our technology systems;
- our ability to:
 - manage our growth effectively;
 - manage our credit risk;
 - manage our quality of services;
 - hire and retain senior management personnel and other skilled manpower;
 - manage cost of compliance with labor laws or other regulatory developments;
 - manage our operating costs;
 - manage breakdown or failure of equipment, power supply or processes, natural disasters and accidents;
 - successfully implement our business strategies and expansion plans;
 - maintain effective internal controls;
- adequate and timely supply of equipment and raw materials necessary for our operations;
- Our ability to attract and retain qualified personnel;
- changes in general, political, social and economic conditions in India and elsewhere;
- general levels of GDP growth, and growth in employment and personal disposable income; and
- economic uncertainties, fiscal crises or instability in India

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Financial Statements. For details of our significant accounting policies, please refer section titled "Restated Financial Information" on page 85 of this Draft Letter of Offer.

CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in the Notes to the Accounts in the chapter "Restated Financial Information" on page 85 of this Draft Letter of Offer has been no change in accounting policies in last 3 years.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

The Examination Report issued by our Statutory Auditors has no reservations, qualifications and adverse remarks.

RESULTS OF OPERATIONS

The following table sets out selected data from the Restated Financial Statements for Financial Year 2022 and Financial Year 2021, together with the percentage that each line item represents of our total revenue for the periods presented.

Particulars	FY 2022		FY 2021	
	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income
Income				
Revenue from operations	7137.82	99.67	5854.14	99.52
Other Income	23.39	0.33	28.49	0.48
Total Income	7161.21	100.00	5882.63	100.00
Expenses				
Cost of materials consumed	7071.11	98.74	6412.39	109.01
Purchase of Stock In Trade	0	0.00	0	0.00
Changes in inventories	(1312.32)	(18.33)	(2216.46)	(37.68)
Employee Benefit Expenses	135.09	1.89	217.77	3.70
Finance Cost	353.13	4.93	287.66	4.89
Depreciation and amortization expense	449.07	6.27	447.85	7.61
Other Expenses	393.88	5.50	570.21	9.69
Total Expenses	7089.96	99.01	5719.43	97.23
Profit / (Loss) before share in loss of associate, exceptional items and Tax	71.26	0.99	163.2	2.77
Share of Net loss of Associates accounted for using the net equity method	0	0	0	0
Restated Profit before exceptional items	71.26	0.99	163.20	2.77
Exceptional Items	0	0.00	0.00	0.00
Restated Profit before tax	71.26	0.99	163.20	2.77
Tax Expense				
Current Tax	0	0	0	0
Deferred Tax	(37.76)		1.36	
Prior Period Tax Adjustments	0	0	0	0
Profit After Tax	109.02	1.52	161.85	2.75
Other Comprehensive Income	0	0	0	0
Total Comprehensive Income for the Year	109.02		161.85	
Earnings per Share (Basic) (in Rs.)	0.12		0.23	
Earnings per Share (Diluted) (in Rs)	0.12		0.23	

Total income

Revenue from operations

Our revenue from operations comprises of income from sale of sugar and its bye-products Molasses and Bagasse.

Other Income

Other income comprises of interest income, income from sale of equipment, and miscellaneous income

Expenses

Our expenses consist of

Cost of Materials Consumed

This comprise of raw materials consumed and agricultural expenditure.

Change in inventories

Changes in inventories of stock-in-trade comprises of difference in closing balance vis-a-vis opening balance of stock in trade.

Employee benefit expenses

Employee benefit expense consists of salaries, other defined benefits, other employee benefits, and staff welfare expenses.

Finance Costs

Finance Costs consists of interest on borrowings from banks and other borrowing costs.

Depreciation and amortisation expenses

Depreciation and amortization expenses consist of depreciation on tangible and intangible assets owned by our company.

Other expenses

Other expenses include repairs to plant and machinery, building and others, power and fuel, electricity expense, legal and professional charges, security charges, warehouse charges, vehicle hire charges, transport and travel expenses, government challan and fees, communication expenses, rates and taxes excluding taxes on income and miscellaneous expenses.

Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or credit is recognized based on the difference between taxable profit and book profit due to the effect of timing differences and treatment of expenses. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

Comparison of Historical Results of Operations

Financial Year 2022 compared to Financial Year 2021

Total Revenue

The total revenue for Financial year ended March 31, 2022 increased from ₹5,882.63 Lakhs during the financial year ended March 31, 2021 to ₹7,161.22 Lakhs an increase of 1,278.58 Lakhs or 21.73%. This increase was due to an increase in revenue from operations which was due to repeat and referral business from our customers

Revenue from operations

Our revenue from operations increased from ₹5,854.14 Lakhs in the financial year ended March 31, 2021 to ₹7,137.82 Lakhs in the year ended March 31, 2022 an increase of ₹1,283.68 lacs or 21.93%. This increase was due to increased demand for sugar from our customers.

Other income

Other income decreased from ₹ 28.49 Lacs to ₹ 23.39 Lakhs for the year ended March 31, 2022 a decrease by ₹5.10 Lakhs or 17.90%. This was due to a decrease in the profit on sale of equipment in the year ended March 31, 2022. However there has been an increase in miscellaneous income.

Expenses

Our total expenses increased from ₹5,719.43 Lakhs in the financial year ended March 31, 2021 to ₹7,089.96 Lakhs for the year ended March 31, 2022. This was an increase of ₹1,370.53 Lakhs which was an increase of 23.96%. This was due to an overall increase in raw material cost and finance costs.

Cost of Materials Consumed

Our cost of materials consumed increased from ₹ 6412.39 Lakhs to ₹ 7071.11 Lakhs representing an increase of ₹658.72 Lakhs or an increase of 10.27%. This was due to an increase in the cost of raw materials procured and an increase in agriculture expense incurred to improve the quality of seeds.

Change in Inventories

The changes in inventories of finished goods, work-in-progress and traded goods for the year ended March 31, 2022 was ₹ 1,312.32 Lakhs as compared to ₹ (2,216.46) lakhs for the Fiscal 2021, primarily due to market demand supply scenario.

Employee benefit expenses

Employee benefits expense for the year ended March 31 2022 was ₹ 135.09 Lakhs as compared to ₹ 217.77 Lakhs for the year ended March 31, 2021 representing a decrease of ₹ 82.68 Lakhs or 37.97%. This was due to decrease in salaries, wages and bonus.

Depreciation and Amortisation Expense

Depreciation and amortization expense for the year ended March 31, 2022 was ₹ 449.07 Lakhs as compared to ₹ 447.85 Lakhs for the year ended March 31, 2021 representing a small decrease of 0.27%. The decrease is due to sale of equipment and not purchasing any new equipment.

Finance Costs

Finance costs for the year ended March 31, 2022 was ₹ 353.13 Lakhs as compared to ₹ 287.66 Lakhs for the year ended March 31, 2021 representing an increase of ₹65.47 Lakhs or 22.76%. This was due to an increase in borrowings of both secured and unsecured loans during the year ended March 31, 2022.

Other expenses

Other expenses for the year ended March 31, 2022 was ₹ 393.88 Lakhs as compared to ₹ 570.21 Lakhs for the financial year ended March 31, 2021 representing a decrease of ₹ 176.33 Lakhs (30.92%). The decrease was mainly due to decrease in expenses incurred on repairs and maintenance, security charges, warehouse rent despite an increase in rates and taxes.

Profit/(Loss) before Tax

The profit before tax for the year ended March 31, 2022 of ₹ 71.26 Lakhs as compared to ₹ 163.20 Lakhs for the year ended March 31, 2021. The decrease in profit before tax was on account of an increase in the cost of raw materials and finance costs.

Taxation

Total tax expense for the year ended March 31, 2022 was ₹ (37.76) Lakhs as compared to ₹ 1.36 Lakhs for the year ended March 31, 2021 representing an decrease of ₹39.21 Lakhs. The decrease was due to impact of deferred tax.

Profit/Loss after Tax

As a result of the aforesaid, Our Company earned a profit for the year for the year ended March 31, 2022 of ₹ 109.02 Lakhs as compared to ₹ 161.85v bnuigijbnjner Lakhs, a decrease of ₹52.83 Lakhs or 32.64%. The decrease in profit after tax is due to decrease in cost of raw materials and finance cost.

The following table sets out selected data from the Restated Financial Statement for Financial Year 2021 and Financial Year 2020, together with the percentage that each line item represents of our total revenue for the periods presented.

Particulars	FY 2021		FY 2020	
	₹ in Lakhs	% of total income	₹ in Lakhs	% of total income
Income				
Revenue from Operations	5,854.14	99.52	5,019.27	99.90
Other Income	28.49	0.48	5.26	0.10
Total Income	5,882.63	100.00	5,024.53	100.00
Expenses				
Cost of materials consumed	6,412.39	109.01	4,243.06	84.45
Purchase of Stock In Trade	-		-	
Changes in inventories	(2,216.46)	-37.68	(602.83)	-12.00
Employee Benefit Expenses	217.77	3.70	138.45	2.76
Finance Cost	287.66	4.89	266.99	5.31
Depreciation and amortisation expense	447.85	7.61	453.2	9.02
Other Expenses	570.21	9.69	486.08	9.67
Total Expenses	5,719.43	97.23	4,984.95	99.21
Restated Profit before Exceptional Item and Tax	163.2	2.77	39.58	0.79
Exceptional Items	0	0	0	0
Restated Loss before Tax	163.2	2.77	39.58	0.79
Tax Expense				
Current Tax	0	0	0	0
Deferred Tax	1.36	0.02	31.36	0.62
Prior Period Tax Adjustments	0	0	0	0
Restated Profit for the Year	161.85	2.75	8.23	0.16
Other Comprehensive Income				
Other Comprehensive Income for the Year	161.85	2.75	8.23	0.16
Total Comprehensive loss for the Year	161.85	2.75	8.23	0.16
Earnings per Share (Basic) (in Rs.)	0.23		0.01	
Earnings per Share (Diluted) (in Rs)	0.23		0.01	

Total income

Revenue from operations

Our revenue from operations comprises of income from sale of sugar and its bye-products Molasses and Bagasse.

Other Income

Other income comprises of interest income, income from sale of equipment, and miscellaneous income

Expenses

Our expenses consist of:

Cost of Materials Consumed

This comprise of raw materials consumed and agricultural expenditure.

Change in inventories

The changes in inventories pertain to finished stock, stores and spares.

Employee benefit expenses

Employee benefit expense consists of salaries, other defined benefits, other employee benefits, and staff welfare expenses.

Finance Costs

Finance Costs consists of interest on borrowings from banks and other borrowing costs.

Depreciation and amortisation expenses

Depreciation and amortization expenses consist of depreciation on tangible and intangible assets owned by our company.

Other expenses

Other expenses include repairs to plant and machinery, building and others, power and fuel, electricity expense, legal and professional charges, security charges, warehouse charges, vehicle hire charges, transport and travel expenses, government challan and fees, communication expenses, rates and taxes excluding taxes on income, donation and miscellaneous expenses.

Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or credit is recognized based on the difference between taxable profit and book profit due to the effect of timing differences and treatment of expenses. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

Results of our operations

Comparison of Historical Results of Operations

Financial Year 2021 compared to Financial Year 2020

Total Revenue

The total revenue for Financial year ended March 31, 2021 increased to ₹5,882.63 Lakhs from ₹ 5024.53 Lakhs., an increase of 17.08% or ₹858.10 Lakhs. This increase was due to an increase in revenue from operations which was due to repeat and referral business from our customers

Revenue from operations

Our revenue from operations increased to ₹ 5,854.14 Lakhs in the financial year ended March 31, 2021 from ₹ 5019.27 Lakhs an increase of ₹ 834.87 Lakhs or 16.63%. This increase was due to increased demand for sugar from our customers.

Other income

Other income increased from ₹5.26 Lakhs in financial year ended March 31, 2020 to ₹ 28.49 Lacs in the year ended March 31, 2021 an increase of ₹23.23 Lakhs or 441.63%. This was due sale of equipment in the year ended March 31, 2021.

Expenses

Out total expenses increased from ₹4,984.95 Lakhs in the financial year ended March 31, 2020 to ₹5,719.43 Lakhs for the year ended March 31, 2021. This was an increase of ₹734.48 Lakhs which was an increase of 14.73%. This was due to an overall increase in all the expenses.

Cost of Materials Consumed

Our cost of materials consumed increased from 4,243.06 Lakhs to ₹ 6412.39 Lakhs representing an increase of 2,169.33 or an increase of 51.13% This was due to an increase in the cost of raw materials procured and a substantial increase incurred to improve the quality of seeds.

Change in Inventories

The changes in inventories of finished goods, work-in-progress and traded goods for the year ended March 31, 2020 was ₹ (602.83) Lakhs as compared to ₹ (2,216.46) Lakhs for the Fiscal 2021, an increase of (1,613.63) Lakhs primarily due to market demand supply scenario.

Employee benefit expenses

Employee benefits expense for the year ended March 31 2020 was ₹ 138.45 Lakhs as compared to ₹ 217.77 Lakhs compared for the year ended March 31, 2021 representing an increase of ₹ 79.32 Lakhs or 57.29%. This was due to overall increase in salaries, wages and bonuses.

Depreciation and Amortisation Expense

Depreciation and amortization expense for the year ended March 31, 2020 was ₹ 453.20 Lakhs as compared to ₹ 447.85 Lakhs for the year ended March 31, 2021 representing a small decrease of 1.18%. The decrease is due to not purchasing any new equipment.

Finance Costs

Finance costs for the year ended March 31, 2021 as ₹ 287.66 Lakhs as compared to ₹ 266.99 for the year ended March 31, 2020 representing an increase of ₹20.67 Lakhs or 7.74% This was due to an increase in borrowings cost of both secured and unsecured loans during the year ended March 31, 2021.

Other expenses

Other expenses for the year ended March 31, 2021 was ₹ 570.21 Lakhs as compared to ₹ 486.08 lakhs for the financial year ended March 31, 2020 representing an increase of ₹ 84.13 Lakhs or 17.31 %. The increase was mainly due to increase in expenses incurred on repairs and maintenance, warehouse rent, travelling expenses despite a decrease in advertisement and publicity.

Profit/(Loss) before Tax

The profit before tax for the year ended March 31, 2021 was to ₹ 163.20 Lakhs as compared to ₹ 39.58 Lakhs for the year ended March 31, 2020. The increase was by ₹ 123.62 Lakhs which is 312.33% compared to the previous year. This was due to overall increase in revenues and a reduction in expenses.

Taxation

Total tax expense for the year ended March 31, 2021 was ₹ 1.36 Lakhs for the year ended March 31, 2021 as compared to ₹ 31.36 Lakhs representing a decrease of ₹ 30.00 Lakhs. The decrease was due to impact of deferred tax.

Profit/Loss after Tax

As a result of the aforesaid, Our Company earned a profit for the year ended March 31, 2021 of ₹ 161.85 Lakhs, as compared to ₹ 8.23 Lakhs for the year ended March 31, 2020 an increase of ₹153.61 Lakhs The increase in profit after tax was due to overall increase in revenues and a decrease in expenditure.

Comparison of Results of Operations for Six Months period ended September 30, 2022 compared with six month period ended September 30, 2021.

Particulars	(Rs. In Lakhs)			
	6 months period ended September 30, 2022		6 month spierd ended September 30, 2021	
	₹ in Lakhs	% to total income	₹ in Lakhs	% to total income
Income				
Revenue from Operations	5,739.78	99.99	2640.25	99.85
Other Income	0.26	0.01	3.89	0.15
Total Income	5,740.04	100.00	2644.14	100.00
Expenses				
Cost of materials consumed	1.38	0.02	251.63	9.52
Purchase of Stock In Trade	2939.59	51.21	222.35	8.41
Changes in inventories	2,498.40	43.53	1619.39	61.24
Employee Benefit Expenses	35.12	0.61	30.81	1.17
Finance Cost	190.19	3.31	180.45	6.82
Depreciation and amortisation expense	222.48	3.88	221.08	8.36
Other Expenses	166.08	2.89	107.2	4.05
Total Expenses	6,053.24	105.46	2,632.91	99.58
Profit / (Loss) before Exceptional Item and Tax	(313.20)	(5.46)	11.23	0.42
Exceptional Items	0	0	0	0
Profit / (Loss) before Tax	(313.20)	(5.46)	11.23	0.42
Tax Expense				
Current Tax	0	0	0	0
Deferred Tax	(10.53)	(0.18)	(7.79)	(0.29)
Prior Period Tax Adjustments	0		0	0
Profit / (Loss) for the Year	(302.67)	(5.27)	19.02	0.72
Other Comprehensive Income				
Other Comprehensive Income for the Period	0	0	0	0
Total Comprehensive loss/ Income for the Period	(302.67)	(5.27)	19.02	0.72
Earnings per Share (Basic) (in Rs.)	(0.34)		0.02	
Earnings per Share (Diluted) (in Rs)	(0.34)		0.02	

Comparison of Historical Results of Operations

Six months period ended September 30, 2022 compared with Six months period ended September 30, 2021.

Total Revenue

The total revenue for the six month period ended September 30, 2022 was ₹5740.04 Lakhs as compared to ₹ 2,644.14 Lakhs for the six month period ended September 30, 2021, representing an increase of ₹3095.90 Lakhs or 117.09%. This increase was due to an increase in revenue from operations which was due to repeat and referral business from our customers

Revenue from operations

Our revenue from operations increased from to ₹2,640.25 Lakhs in the six month period ended September 30, 2021 to ₹ 5,739.78 Lakhs for the six month period ended September 30, 2022 representing an increase of ₹3099.53 Lakhs or 117.40% This increase was due to increased demand for sugar from our customers.

Other income

Other income decreased from ₹3.89 Lakhs in the six month period ended September 30, 2021 to ₹0.26 Lakhs in the six month period ended September 30, 2022, a decrease by ₹ 3.63 Lakhs or 93.32%.

Expenses

Out total expenses increased from ₹2,632.91 Lakhs in the six month period ended September 30, 2022 to ₹ 6053.24 Lakhs for the six month period ended September 30, 2021. This was an increase of ₹3,420.32 Lakhs which is 129.91 % over the six month period ended September 30, 2021. This was due to an overall increase in all the expenses.

Cost of Materials Consumed

Our cost of materials consumed decreased from ₹ 251.63 Lakhs for the six month period ended September 30, 2021 to ₹ 1.38 Lakhs for the six month period ended September 30, 2022 which was a decrease of ₹ 250.25 Lakhs or 99.45%. There as an increase in purchase of stock in trade from ₹ 222.35 Lakhs for the six month period ended September 30, 2021 to ₹ 2,939.59 Lakhs for the six month period ended September 30, 2022.

Change in Inventories

The changes in inventories of finished goods, work-in-progress and traded goods for the six month period ended September 30, 2022 was 2.498.40 Lakhs as compared to ₹ 1,619.39 Lakhs for the six month period ended September 30, 2021 which was an increase of ₹ 879.01 Lakhs or 54.28%. This was primarily due to market demand supply scenario.

Employee benefit expenses

Employee benefits expense for the six month period ended September 30, 2022 was ₹ 35.12 Lakhs as compared to ₹ 30.81 Lakhs for the six month period September 30, 2021 which was a marginal increase of ₹ 4.31 Lakhs or 13.99%.

Depreciation and Amortisation Expense

Depreciation and amortization expense for the six month period ended September 30, 2022 was ₹ 222.48 Lakhs as compared to ₹ 221.08 Lakhs for the six month period ended September 30, 2021 which was a small increase of ₹ 1.40 Lakhs or 0.63%.

Finance Costs

Finance costs for the six month period ended September 30, 2022 was 190.19 Lakhs as compared to ₹ 180.45 Lakhs for the six month period ended September 30, 2021 increasing by ₹ 9.74 Lakhs or 5.40%.

Other expenses

Other expenses for the six month period ended September 30, 2022 was ₹ 166.08 Lakhs as compared to ₹ 107.20 lakhs for the six month period ended September 30, 2021 representing an increase of ₹ 58.88 Lakhs or 54.93%

Profit/(Loss) before Tax

The loss for the six month period ended September 30, 2022 was to ₹ 313.20 Lakhs as compared to profit of ₹ 11.23 Lakhs for the six month period ended September 30, 2021. This decrease of ₹324.42 Lakhs was primarily due to an increase in total expenses, particularly purchase of stock / raw materials.

Taxation

Total tax expense for the six month period ended September 30, 2022 was ₹(10.53) Lakhs as compared to ₹(7.79) Lakhs for the six month period ended September 30, 2021 due to a marginal increase of ₹2.74 Lakhs in deferred taxes.

Profit/Loss after Tax

As a result of the aforesaid, Our Company earned a loss of ₹ 302.67 Lakhs for the six month period ended September 30, 2022 as compared to a profit of ₹ 19.02 Lakhs for the six month period ended September 30, 2021. The decrease in profits was due to overall increase in expenses.

CASH FLOWS

The following table sets forth certain information relating to our cash flows:

(₹ in Lakhs)				
Particulars	September 30 2022*	March 31, 2022	March 31, 2021	March 31, 2020
Net Cash Flow from/ (used in) Operating Activities (A)	1,719.37	531.93	(190.26)	(404.62)
Net Cash Flow used in Investing Activities (B)	(28.09)	(157.29)	(155.55)	(525.17)
Net Cash Flow used in Financing Activities (C)	(2,042.02)	10.41	81.23	857.44
Net increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	(350.74)	385.05	(264.58)	(72.35)
Cash and cash equivalents at the beginning of the year/period	49.39	400.13	15.08	279.66
Cash and cash equivalents at year/period end	49.39	400.13	15.08	279.66

****Unaudited Reviewed***

Cash generated from Operating Activities

Net cash generated from operating activities for the six month period ended September 30, 2022 was ₹ 1,719.37 lakhs as compared to the (loss) before tax of ₹ (313.22) lakhs for the same period. This difference is primarily on account of depreciation, amortization, finance costs, trade and other payables, inventories and trade and other receivables.

Net cash generated from operating activities for the year ended March 31, 2022 was ₹ 531.93 Lakhs as compared to the profit/(loss) before tax of ₹ 109.02 Lakhs for the same period. This difference is primarily on account of depreciation, amortization, finance costs, trade and other payables, inventories and trade and other receivables

Net cash used in operating activities for the year ended March 31, 2021 was ₹ (190.26) Lakhs as compared to the profit/(loss) before tax of ₹ 161.85 Lakhs the same period. This difference is primarily on account of depreciation, amortization, finance costs, trade and other payables, inventories and trade and other receivables

Net cash used in operating activities for the year ended March 31, 2020 was ₹ (404.62) Lakhs as compared to the profit/(loss) before tax of ₹ 8.23 Lacs for the same period. This difference is primarily on account of trade payables, trade receivables and other current assets.

Net Cash used in Investing Activities

Net cash used in investing activities for the six month period ended September 30, 2022 ₹ (28.09) lakhs. This was on account of purchase/sale of property, plant & equipment (including capital work-in-progress, interest received and capital advances.

Net cash used in investing activities for the year ended March 31, 2022 was ₹ (157.29) Lakhs. This was on account of purchase/sale of property, plant & equipment (including capital work-in-progress and capital advances.

Net cash used in investing activities for the year ended March 31, 2021 was ₹ (155.55) Lakhs. This was on account of purchase/sale of property, plant & equipment (including capital work-in-progress, capital advances and loans and advances.

Net cash used in investing activities for the year ended March 31, 2020 was ₹ (525.17) Lakhs. This was on account

of purchase/sale of property, plant & equipment (including capital work-in-progress and capital advances.

Net Cash flow used in Financing Activities

Net cash flows used in financing activities for the six month ended September 30, 2022 was ₹ (2,042.02) Lakhs. This was on account of repayment of both short term and long term borrowings and finance costs.

Net cash flows used in financing activities for the year ended March 31, 2022 was ₹10.41 Lakhs. This was on account of increases in long term borrowings and repayment of short- term borrowings and finance costs.

Net cash flows used in financing activities for the year ended March 31, 2021 was ₹ 81.23 Lakhs. This was on account of repayment of borrowings and payment of finance cost.

Net cash flows used in financing activities for the year ended 2020 was ₹ 857.44 Lakhs. This was on account of Repayment of borrowings and reduction in finance costs.

Contingent Liabilities

We have no contingent liabilities as on March 31, 2022.

Off-Balance Sheet Arrangements

We do not have any other off-balance sheet arrangements or other relationships with unconsolidated entities, such as special purpose vehicles, that have been established for the purposes of facilitating off-balance sheet arrangements.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial asset fails to meet its contractual obligations. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each financial asset. The management also considers the factors that may influence the credit risk of its customer base, including the default risk etc. The carrying amounts of financial assets represent the maximum credit risk exposure.

A default on a financial asset is when the counterparty fails to make contractual payments as per agreed terms. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors. The Company monitors its exposure to credit risk on an ongoing basis. The Company closely monitors the credit-worthiness of the receivables through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The impairment for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each balance sheet date.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, that it will have sufficient liquidity to meet its liabilities when they are due. Management monitors the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates (currency risk) and interest rates (interest rate risk), will affect the company's income or value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rate. Fair value interest rate risk is the risk of changes in fair value of fixed interest-bearing financial instrument because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest-bearing financial instrument will fluctuate because of fluctuations in the interest rates.

RELATED PARTY TRANSACTIONS

For details of our related party transactions, see "Restated Financial Information - Related Party Transactions" on page 101 in this Draft Letter of Offer.

Qualitative Disclosure about Market Risk

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 described in the section titled "Risk Factors" and chapter titled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" on page 19 and page 123 respectively, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

Unusual or Infrequent Events or Transactions

Except as described elsewhere in this Draft Letter of Offer, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant economic/regulatory changes

Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Except as disclosed in this Draft Letter of Offer, to our knowledge, there are no significant regulatory changes that materially affected or are likely to affect our income from continuing operations.

Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income except as mentioned in the section titled "Risk Factors" on page 19 of this Draft Letter of Offer.

Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known

Other than as described in the section titled "Risk Factors" and chapter titled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" on page 19 and 123 respectively, and elsewhere in this Draft Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation and government policies.

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 sales prices

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

Competitive Conditions

We expect competition in the sector from existing and potential competitors to vary. However, on account of our core strengths we will be able to stay competitive. For further details, kindly refer the chapter titled "Our Business" on page 62 of this Draft Letter of Offer.

Total Turnover of Each Major Business Segment

We currently operate in the sugar segment. For details on revenue from this segment, kindly refer the chapter titled "Our Business" on page 62 of this Draft Letter of Offer.

New Product or Business Segment

Except as disclosed in "Our Business" on page 62 of this Draft Letter of Offer, we have not announced and do not expect to announce in the near future any new products or business segments.

Seasonality of Business

Our Company's business is seasonal in nature.

Significant dependence on a Single or Few Suppliers or Customers

Other than as described in this Draft Letter of Offer, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

Significant Developments since last balance sheet date

To our knowledge no circumstances have arisen since September 30, 2022, the date of the last financial information disclosed in this Draft Letter of Offer which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on March 31, 2022 together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

(₹ in Lakhs)

Nature of Borrowings	Principal Amount outstanding as on March 31, 2022
Term Loan from SIDBI	200.20
Government of India's 'Emergency Credit Line Guarantee Scheme ECLGS – from SIDBI	92.25
Government of India's 'Emergency Credit Line Guarantee Scheme ECLGS – Term Loan from SIDBI	57.00
Term Loan from ICICI Bank	223.56
Government of India's 'Emergency Credit Line Guarantee Scheme ECLGS – Term Loan from ICICI	234.80
Government of India's 'Emergency Credit Line Guarantee Scheme ECLGS – Term Loan from SIDBI	258.00
Term Loan from ICICI Bank	2.13
Term Loan from John Deere	8.38
Term Loan from John Deere	4.20
Total Secured Borrowings	1,080.53
Unsecured Borrowings– from related parties	2,727.07
Total	3,807.60

Details of Secured Loans

Name of Lender	Type of Loan	Principal amount outstanding as on March 31, 2022 (₹ in Lakhs)	Interest per annual (%)	Security	Tenor / Repayment Schedule
SIDBI	Term Loan	200.20	10.75% p.a.	exclusive first charge by way of mortgage of at Khasra no. 331, 332, 332/3, 333, 319, 327, 337, 338/2, 336/2, 338/3,339/1, 339/2, 340, 341/1 at village Banjari, Kolar road, Tehsil, Huzur, MP immovable properties owned by M/s Ananjay Construction and Contracts Pvt Ltd admeasuring 16821.27 Sq.mtr	54 months with 6 months off period. 47 equal monthly installments of ₹ 18.60 Lakhs and last installment of ₹14.20 Lakhs
ECLG S- from SIDBI	Term Loan	92.25	8.25%	exclusive first charge by way of mortgage of at Khasra no. 331, 332, 332/3, 333, 319, 327, 337, 338/2, 336/2, 338/3,339/1, 339/2, 340, 341/1 at village Banjari Kolar Road, Tehsil, Huzur, MP immovable properties owned by M/s Ananjay Construction and Contracts Pvt Ltd admeasuring 16821.27 Sq.mtr	48 months with 12 months off period. 36 equal monthly instalments of ₹ 3.18 Lakhs
ECLG S- from SIDBI	Term Loan	57.00	8.25% p.a.	Exclusive first charge by way of mortgage of at Khasra no. 331, 332, 332/3, 333, 319, 327, 337, 338/2, 336/2, 338/3,339/1, 339/2, 340, 341/1 at village Banjari, Kolar road, Tehsil, Huzur, MP immovable properties owned by M/s Ananjay Construction and Contracts Pvt Ltd admeasuring 16821.27 Sq.mtr	48 months with 12 months off period. 36 equal monthly instalments of ₹ 15.83 Lakhs

Name of Lender	Type of Loan	Principal amount outstanding as on March 31, 2022 (₹ in Lakhs)	Interest per annual (%)	Security	Tenor / Repayment Schedule
ICICI Bank	Term Loan	223.56	9.05% p.a.	Exclusive first charge by way of EM of land (Freehold) and Building, Plant & Machinery and other misc. assets (existing and future) of the unit. The land admeasuring 8.512 hectare at survey no. 52 and 55/1, village Sankhini, Tehsil Bhitwar, Dist Gwalior (MP)	60 equal monthly installments of ₹ 6.00 Lakhs
ELGS - ICICI	Term Loan	234.80	8.25% p.a.	Exclusive first charge by way of EM of land (Freehold) and Building, Plant & Machinery and other misc. assets (existing and future) of the unit. The land admeasuring 8.512 hectare at survey no. 52 and 55/1, village Sankhini, Tehsil Bhitwar, Dist Gwalior (MP)	48 months including 12 months off period 36 equal monthly installments of ₹ 7.77 Lakhs
ELGS – SIDBI	Term Loan	258.00	8.25% p.a.	Exclusive first charge by way of mortgage of at Khasra no. 331, 332, 332/3, 333, 319, 327, 337, 338/2, 336/2, 338/3, 339/1, 339/2, 340, 341/1 at village Banjari Kolar Road, Tehsil, Huzur, MP immovable properties owned by M/s Ananjay Construction and Contracts Pvt Ltd admeasuring 16821.27 Sq. mtr	48 months with 12 months off period. 36 equal monthly instalments of ₹ 7.17 Lakhs
ICICI Bank	Term Loan	2.13	9.35% p.a.	Exclusive charge on the assets purchased with the loans	30 equal installments of ₹ 0.54 Lakhs each
John Deere	Term Loan	8.38	6.67% p.a.	Exclusive charge on the assets purchased with the loans	30 equal installments of ₹ 0.70 Lakhs each
John Deere	Term Loan	4.20	6.67% p.a.	Exclusive charge on the assets purchased with the loans	30 equal installments of ₹ 0.35 Lakhs each

MARKET PRICE INFORMATION

Our Company's Equity Shares have been listed and being traded on the BSE

- a. Year is a Financial Year;
- b. Average price is the average of the daily closing prices of the Equity Shares for the year, or the month, as the case may be;
- c. High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares, as the case may be, for the year, or the month, as the case may be; and
- d. In case of two days with the same high / low / closing price, the date with higher volume has been considered.

Stock Market Data of the Equity Shares

The high, low and average market closing prices recorded on the Stock Exchanges during the last three years and the number of Equity Shares traded on these days are stated below:

Financial Year	High (In ₹)	Date of High	Number of shares traded on date of High	Total volume traded on date of High (in ₹)	Low (In ₹)	Date of Low	Number of shares traded on date of low	Total Volume traded on date of Low (in ₹)	Average Price for the Year
2020	3.90	05/04/2019	4884	17870	0.79	05/09/2019	1030	823	1.81
2021	3.05	10/02/2021	5395	15429	1.04	23/07/2020	14129	15248	1.86
2022	23.50	27/12/2021	180635	3983745	1.92	01/04/2021	640	1278	9.04

(Source: www.bseindia.com)

Notes: High, low and average prices are based on the daily closing prices.

In case of two days with the same high or low price, the date with the high volume has been considered.

Market Prices for the eight calendar months

The total number of days that the Equity Shares were traded on the BSE during the last 8 calendar months from April 01, 2022 to November 30, 2022 was 165. The average volume of the Equity Shares traded on the BSE were 16,945 equity shares per day.

The high and low prices and volume of Equity Shares traded on the respective date on BSE during the last Nine calendar months preceding the date of filing of this Draft Letter of Offer are as follows:

Month (2022)	High (In ₹)	Date of High	Number of shares traded on date of High	Total volume traded on date of High (in ₹)	Low (In ₹)	Date of Low	Number of shares traded on date of low	Total Volume traded on date of Low (in ₹)	Average Price for the month
April	15.47	11/04/2022	32935	495593	11.16	01/04/2022	28640	336378	13.90
May	14.00	02/05/2022	10965	148240	10.15	27/05/2022	12500	133750	11.73
June	12.69	06/06/2022	7071	81817	9.00	20/06/2022	16371	164258	11.03
July	10.95	08/07/2022	7149	74457	8.49	27/07/2022	39169	354181	9.97
August	12.15	16/08/2022	37955	437494	9.00	08/08/2022	13075	123440	9.91
September	11.60	19/9/2022	39565	419575	9.21	26/09/2022	28192	273531	10.44
October	10.59	14/10/2022	8332	82519	8.20	24/10/2022	31929	288216	9.68
November	10.42	22/11/2022	24031	223000	8.70	01/11/2022	23927	210780	9.11

(Source: www.bseindia.com)

In the event the high or low or closing price of the Equity Shares are the same on more than one day, the day on which there has been higher volume of trading has been considered for the purposes of this chapter.

The Board of our Company has approved the Issue at their meeting held on August 13, 2022. The high and low prices of our Company's shares as quoted on BSE on August 14, 2022, the day on which the trading happened immediately following the date of the Board meeting is as follows:

Date	Volume (in ₹)	Highest Price (in ₹)	Lowest Price (in ₹)
August 16, 2022	437494	12.15	10.99

(Source: www.bseindia.com)

SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as disclosed in this section, there is no outstanding (i) criminal proceeding; (ii) action taken by regulatory or statutory authorities; (iii) claim related to direct and indirect taxes; and (iv) other pending litigation as determined to be material pursuant to the Materiality Policy in each case involving our Company, our Promoters and our Directors ("**Relevant Parties**"). Further, there is no pending litigation involving our Group Companies, the adverse outcome of which may have a material impact on our Company.

Pursuant to the (i) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (iii) the Materiality Policy approved and adopted by our Board of Directors in their board meeting for the purposes of disclosure, any pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, including outstanding action, and tax matters, would be considered 'material' where the claim or dispute amount or the monetary impact is not quantifiable, but an outcome in any such litigation would materially and adversely affect the Company's business, operations, cash flows, financial position or reputation of the Company.

It is clarified that pre-litigation notices (other than those issued by governmental, statutory or regulatory authorities) received by our Company, our Promoters, our Directors or our Group Companies shall not be considered as litigation until such time that any of our Company, our Promoters, our Directors or our Group Companies, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority or any judicial authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

A. Proceedings involving moral turpitude or criminal liability on the part of our Company

NIL

B. Litigation involving economic offences where proceedings have been initiated against our Company

NIL

C. Proceedings involving economic offences initiated against our Company

NIL

D. Litigation involving an amount above the Materiality Threshold

NIL

E. Litigation involving tax proceedings by or against our Company

1. For the year 2012-13 to 2014-15, the order has been passed by the Office of the Commissioner (Appeals) Customs Excise and Service Tax Appellate Tribunal (CESTAT) on 27th August, 2018 whereby a demand has been made upon the Company for an amount of Rs.11,19,903/- including penalty and other charges. The said order has been passed in Appeal filed by the Company against the order of Assistant Commissioner, CGST ("Adjudicating Authority") whereby the CENVAT credit of Rs.9,83,222/- and Rs.12,36,255/- was disallowed and Rs.19,128/- along with interest and equal penalty was also ordered to be recovered in addition to the said amounts. Upon filing an Appeal against the Adjudicating Authority, the Company submitted its case by providing explanation upon which the Office of the Commissioner (Appeals) has passed the said order of 27th August, 2018 and has finally determined the amount of Rs. 11,19,903/- to be due and payable by the Company.

F. Litigation involving tax proceedings by or against the Promoters of the Company

Against Anupam Chouksey

1. For the relevant AY, Mr. Anupam Chouksey has received an intimation/notice under Section 143(1)(a) of the Income Tax Act, 1961 for a total amount of Rs.9,79,050/- and an interest of Rs.11,35,640/-. It is hereby stated that Mr. Anupam Chouksey shall be taking appropriate steps in respect of this issue.
2. For the AY 2007, Mr. Anupam Chouksey has received an intimation/notice under Section 153A of the Income Tax Act, 1961 for a total amount of Rs.36,86,521/-. It is hereby stated that Mr. Anupam Chouksey shall be taking appropriate steps in respect of this issue.
3. For the AY 2008, Mr. Anupam Chouksey has received an intimation/notice under Section 250 of the Income Tax Act, 1961 for a total amount of Rs.1,98,329/-. It is hereby stated that Mr. Anupam Chouksey shall be taking appropriate steps in respect of this issue.
4. For the AY 2009, Mr. Anupam Chouksey has received an intimation/notice under Section 153A of the Income Tax Act, 1961 for an amount of Rs.85,560 and Rs.7,45,355/- as an interest. It is hereby stated that Mr. Anupam Chouksey shall be taking appropriate steps in respect of this issue.
5. For the AY 2015, Mr. Anupam Chouksey has received an intimation/notice under the Income Tax Act, 1961 for a total amount of Rs.33/- as an interest. It is hereby stated that Mr. Anupam Chouksey shall be taking appropriate steps in respect of this issue.
6. For the AY 2018, Mr. Anupam Chouksey has received an intimation/notice under Section 154 of the Income Tax Act, 1961 for a total amount of Rs.36,95,390/- and Rs.7,99,944/- as an interest. It is hereby stated that Mr. Anupam Chouksey shall be taking appropriate steps in respect of this issue.

Against Poonam Chouksey

1. For the AY 2010, Ms. Poonam Chouksey has received an intimation/notice under Section 250 of the Income Tax Act, 1961 for an amount of Rs.20,46,157/- and an interest of Rs.1,21,165/-. It is hereby stated that Ms. Poonam Chouksey shall be taking appropriate steps in respect of this issue.
2. For the AY 2010, Ms. Poonam Chouksey has received an intimation/notice under Section 143(3) of the Income Tax Act, 1961 for a total amount of Rs.16,83,294/-. It is hereby stated that Ms. Poonam Chouksey shall be taking appropriate steps in respect of this issue.
3. For the AY 2012, Ms. Poonam Chouksey has received an intimation/notice under Section 271(1)(c) of the Income Tax Act, 1961 for a total amount of Rs.50,846/-. It is hereby stated that Ms. Poonam Chouksey shall be taking appropriate steps in respect of this issue.
4. For the AY 2015, Ms. Poonam Chouksey has received an intimation/notice under Section 16(1) of the Income Tax Act, 1961 for an amount of Rs.1/- and an interest of Rs.781/-. It is hereby stated that Ms. Poonam Chouksey shall be taking appropriate steps in respect of this issue.
5. For the AY 2017, Ms. Poonam Chouksey has received an intimation/notice under Section 143(1)(a) of the Income Tax Act, 1961 for a total amount of Rs.2,20,760/-. It is hereby stated that Ms. Poonam Chouksey shall be taking appropriate steps in respect of this issue.

G. Litigation involving tax proceedings by or against the Directors of the Company

Against Pooja Shree Chouksey

1. For the AY 2015, Ms. Pooja Shree Chouksey has received an intimation/notice under Section 16(1) of the Income Tax Act, 1961 for an amount of Rs.4/- and an interest amount of Rs.220/-. It is hereby stated that Ms. Pooja Shree Chouksey shall be taking appropriate steps in respect of this issue.
2. For the AY 2017, Ms. Pooja Shree Chouksey has received an intimation/notice under Section 143(1)(a) of the Income Tax Act, 1961 for a total amount of Rs.240/-. It is hereby stated that Ms. Pooja Shree Chouksey shall be taking appropriate steps in respect of this issue.

3. For the AY 2021, Ms. Pooja Shree Chouksey has received an intimation/notice under Section 154 of the Income Tax Act, 1961 for a total amount of Rs.8,650/- and Rs.688/- as an interest. It is hereby stated that Ms. Pooja Shree Chouksey shall be taking appropriate steps in respect of this issue.

H. Litigation civil or criminal proceedings by the Company:

NIL

I. Litigation civil or criminal proceedings against the Company:

a) *Against the Company:*

1. M/s. Jyoti Power Engineering had filed a civil suit at Haryana Faridabad District Court against the Company. The said suit has been filed for money recovery in the form of AMC charges pursuant to which a decree has been passed by the said Court allowing the civil suit. M/s. Jyoti Power Engineering has filed an execution proceedings for the purpose of execution of the said decree. The Company has paid Rs.2,00,000/- (Rupees Two Lakhs only) in the course of the execution proceedings. The Company has informed that the case is kept for disposal for which appropriate steps shall be taken by M/s. Jyoti Power Engineering and the Company.
2. Kay Bouvet Engineering Ltd has filed a Complaint under Section 138 of the Negotiable Instrument Act, 1881 in Haryana District Court as a cheque for an amount of Rs.18,80,000/- (Rupees Eighteen Lakhs Eighty Thousand only). The Company had approached Kay Bouvet Engineering Ltd for installation of machines at work site of the Company for which the Company has issued a work order. Kay Bouvet Engineering Ltd raised demand for the payment Rs.18,80,000/- (Rupees Eighteen Lakhs Eighty Thousand only) pursuant to which the Company issued the cheque. Upon encashment of the said cheque, it got dishonoured following which Kay Bouvet Engineering Ltd issued a legal notice and thereafter the said Complaint has been filed. The latest status of the case is that it is pending the said court.
3. A proprietorship concern M/s. Rishabh Bearings has filed a Suit against the Company in District and Session Court at Indore for recovery of Rs.6,85,199/- (Rupees Six Lakhs Eighty Five Thousand One Hundred Ninety Nine only). M/s. Rishabh Bearings has supplied ball bearings and sleeve in lieu of purchase orders placed by the Company and invoices for supply of the said products were raised by M/s. Rishabh Bearings. It is the case of M/s. Rishabh Bearings that the amounts have been unpaid pursuant to which it has issued a legal notice upon the Company. The Company has duly responded to the said notice denying the contention of M/s. Rishabh Bearings and has in fact highlighted the defects/deficiencies of the product supplied by M/s. Rishabh Bearings. The Suit is pending in the said Court.

b) *By the Company:*

The Company has filed a Writ Petition bearing No. WP/10657/2021 in the High Court of Madhya Pradesh against Employee Provident Fund Organisation. The Company has challenged the demand notice dated 4th May, 2017 issued by Employee Provident Fund Organisation wherein an amount of Rs.15,35,356/- (Rupees Fifteen Lakhs Thirty Five Thousand Three Hundred Fifty Six only) has been demanded by Employee Provident Fund Organisation as it is the contention of Employee Provident Fund Organisation that the Company has defaulted in payment/contribution of the said amount under the Employee Provident Fund and Madhya Pradesh Act, 1952. The Writ Petition is pending for hearing.

J. Litigation civil or criminal proceedings by Group Companies or Subsidiaries:

Since the Company does not have any subsidiary company, the disclosure under this caption is not applicable.

K. Litigation civil or criminal proceedings against the Group Companies or Subsidiaries:

Since the Company does not have any subsidiary company, the disclosure under this caption is not applicable

OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

As on March 31, 2022, the details of amounts outstanding towards small scale undertakings and other creditors are as follows:

Particulars	Amount (₹ in Lakhs)
To MSMEs	Nil
To Others	729.48

DISCLOSURES PERTAINING TO WILLFUL DEFAULTERS

Neither our Company, nor our Promoters and members of the Promoter Group, and Directors have been categorized or identified as willful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

STATEMENT OF MATERIAL DEVELOPMENTS

Except as stated in this Draft Letter of Offer, to our knowledge, no circumstances have arisen since September 30, 2022, which materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities:

GOVERNMENT AND OTHER APPROVALS

In order to operate our business, we require various approvals and/or licenses under various laws, rules and regulations. Our Company has received the necessary consents, licenses, registrations, permissions and approvals from the Government of India and various governmental agencies and other statutory and/ or regulatory authorities required to undertake this Issue and carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals and licenses are valid as of the date of this Letter of Offer and in case of licenses and approvals which have expired; we have either made application for renewal or are in the process of making an application for renewal.

Except for the following, no further material approvals from any governmental or regulatory authority are pending to undertake the Issue or continue its business activities.

I. Material approvals for which applications have been made by our Company, but are currently pending grant:

- 1) Food Safety and Standards Authority of India License under FSS Act, 2006.
- 2) License to work factory (M.P. Factory Rules), 1962.

II. Material approvals for which renewal applications have been made by our Company:

NIL

III. Material approvals which have expired and for which renewal applications are yet to be made by our Company:

- 1) License to manufacture acetic acid

IV. Material approvals required for which no application has been made by our Company

- 1) License to store, import petroleum under the Petroleum Act, 1934.
- 2) License for possession, storage and sale of molasses.

SECTION IX - OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board of Directors at its meeting held on August 13, 2022, have authorised this Issue pursuant to Section 62(1)(c) of the Companies Act, 2013.

Our Board of Directors / Rights Issue Committee has, at its meeting held on [●], determined the Issue Price as ₹[●] per Rights Equity Share and the Rights Entitlement as [●] Rights Equity Share for every [●] Equity Share held on the Record Date.

The Draft Letter of Offer was approved by the Rights Issue Committee (duly constituted by the Board in their meeting on August 13, 2022) pursuant to its resolution dated [●].

Our Company has received 'in-principle' approval letter from BSE vide letter dated [●] for listing of the Rights Equity Shares to be allotted pursuant to Regulation 28(1) of SEBI Listing Regulations. Our Company will also make applications to BSE Limited to obtain their trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective Demat accounts of the Equity Shareholders of our Company. For details, see "*Terms of the Issue*" on page 155 of this Draft Letter of Offer

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of our Promoter Group and persons in control of the Promoter and the Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Draft Letter of Offer.

Further, our Promoters and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None of our Directors or Promoters are associated with the securities market in any manner. There is no outstanding action initiated against them by SEBI in the five years preceding the date of filing of this Draft Letter of Offer.

Neither our Promoters nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

Prohibition by RBI

Neither our Company, nor our Promoters, and Directors have been categorized or identified as willful defaulters or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Draft Letter of Offer.

Eligibility for the Issue

Our Company is a listed company, incorporated under the Companies Act, 1956. The Equity Shares of our Company are presently listed on the BSE. We are eligible to undertake the Issue in terms of Chapter III of SEBI ICDR Regulations. Pursuant to Clauses (1) and (2) of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B-1 of Schedule VI to the SEBI ICDR Regulations.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchange for listing of the Rights Equity Shares to be issued pursuant to the Issue. BSE Limited is the Designated Stock Exchange for the Issue.

DISCLAIMER CLAUSE OF SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of the issue is less than ₹5000 lakhs.

Disclaimer from our Company and our Directors

Our Company and our Directors accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.parvatisweetners.co.in or the respective websites of an affiliate of our Company would be doing so at his or her own risk.

All information shall be made available by our Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centers or elsewhere.

Investors will be required to confirm and will be deemed to have represented to our Company, Lead Manager and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Lead Manager and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

No information which is extraneous to the information disclosed in this Letter of Offer or otherwise shall be given by our Company or any member of the Issue management team or the syndicate to any particular section of investors or to any research analyst in any manner whatsoever, including at road shows, presentations, in research or sales reports or at bidding center.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Letter of Offer. You must not rely on any unauthorized information or representations. This Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Letter of Offer is current only as at its date.

Disclaimer in respect of Jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Bhopal, Madhya Pradesh, India only.

DISCLAIMER CLAUSE OF BSE

As required, a copy of the Draft Letter of Offer has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the Draft Letter of Offer, has been included in the Letter of Offer prior to the filing with the Stock Exchange.

Designated Stock Exchange

BSE being the only stock exchange where the Company's shares are listed, the Designated Stock Exchange for the purposes of the Issue is BSE.

Selling Restrictions

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Draft Letter of Offer/ Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Draft Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer / Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

Listing

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE DRAFT LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE

OFFERING TO WHICH THE DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THE DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Draft Letter of Offer / Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Draft Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorised to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company, in consultation with the Lead Manager, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

Filing

This Draft Letter of Offer is being filed with the BSE as per the provisions of the SEBI ICDR Regulations. SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted to SEBI for

information and dissemination and will be filed with the Stock Exchange.

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/2/2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Link Intime India Private Limited is our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

Investor Grievances arising out of this Issue

Investors may contact the Registrar to the Issue or our Company Secretary for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see “*Terms of the Issue*” page 155 of this Draft Letter of Offer. The contact details of our Registrar to the Issue and our Company Secretary are as follows:

Registrar to the Issue

PURVA SHAREGISTRY (INDIA) PVT. LTD.

**Unit No. 9, Ground Floor,
Shiv Shakti Industrial Estate,
J. R. Boricha Marg, Lower Parel East,
Mumbai – 400011, Maharashtra,
Contact Details: +91-22-2301 6761/ 8261
Email Address: support@purvashare.com;
Website: www.purvashare.com;
Contact Person: Ms. Deepali Dhuri;
Investor grievance: support@purvashare.com
SEBI Registration Number: INR000001112**

Investors may contact the Company Secretary and Compliance Officer at the below mentioned address for any pre-Issue/post-Issue related matters such as non-receipt of Letters of Allotment / share certificates / demat credit / Refund Orders etc.

Mohita Ramsariya is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder:

Parati Sweetners and Power Limited
Hall No: 2, Gomantika Parisar,
Shopping Complex,
Jawahar Chowk, Bhopal - 462003.
Madhya Pradesh, India
E-mail: info@parvatisweetners.com

Consents and Expert Opinion

Consents in writing of: our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, legal advisor to the Issue and the Registrar to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

Our Company has received written consent dated November 21, 2022 from our Statutory and Peer Review Auditor, namely, Khare Pamecha & Co., Chartered Accountants for inclusion of their examination report dated November 21, 2022 on our Restated Financial Information for the financial years ended March 31, 2022, March 31, 2021 and March 31, 2020; and to the limited review report dated November 07, 2022 on the unaudited financial statements for the six-month period ended September 30, 2022; and to include their name in this Draft Letter of Offer and as an 'Expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated November 21, 2022 in the form and context in which it appears in this Draft Letter of Offer. Such consent has not been withdrawn up to the date of this Draft Letter of Offer.

Performance vis-à-vis objects – Public/Rights Issue of our Company

Our Company has not made any rights issues or public issues during the five years immediately preceding the date of this Draft Letter of Offer. There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

Performance vis-à-vis objects – Last issue of listed Subsidiaries or Associates

None of our Subsidiaries or associate companies are listed as on date of this Draft Letter of Offer.

Stock Market Data of the Equity Shares

Our Equity Shares are listed and traded on BSE. For details in connection with the stock market data of the Stock Exchange, please refer to the chapter titled "Market Price Information" on page 140 of this Draft Letter of Offer

TERMS OF THE ISSUE

*This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and the Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Circulars SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (“**SEBI – Rights Issue Circular**”), all investors (including renouncee) shall make an application for a rights issue only through ASBA facility.*

OVERVIEW

The Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter, the Memorandum of Association and the Articles of Association of our Company, the provisions of Companies Act, the terms and conditions as may be incorporated in the FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the SEBI, the RBI or other regulatory authorities, the terms of Listing Agreements entered into by our Company with the Stock Exchange and terms and conditions as stipulated in the Allotment Advice.

Important:

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS:

In accordance with the SEBI (ICDR) Regulations, and the ASBA Circular, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material (**‘Issue Materials’**) only to the Eligible Equity Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses and have made a request in this regard.

Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- a) Our Company at www.parvatisweetners.co.in;
- b) the Registrar to the Issue at www.purvashare.com; and
- c) the Stock Exchange at www.bseindia.com;

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at www.purvashare.com by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.parvatisweetners.co.in).

Further, our Company will undertake all adequate steps to reach out to the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

Please note that neither our Company nor the Registrar shall be responsible for not sending the physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the

Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit. Resident Eligible Equity Shareholders, who are holding Equity Shares in physical form as on the Record Date, can obtain details of their respective Rights Entitlements from the website of the Registrar by entering their Folio Number.

The distribution of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer is being filed with SEBI and the Stock Exchange. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Letter of Offer, Abridged Letter of Offer, the Application Form and other applicable Issue materials primarily to email addresses of Eligible Equity Shareholders who have provided a valid e-mail addresses and an Indian address to our Company.

The Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense account, as applicable. For further details on the Rights Entitlements and demat suspense account, please see “Terms of Issue—Credit of Rights Entitlements in demat accounts of Eligible Equity

Shareholders” on page 167 of this Draft Letter of Offer

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense account in case of resident Eligible Equity Shareholders holding shares in physical form as at Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

- i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or
- ii) the requisite internet banking.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, please see “Terms of Issue—Grounds for Technical Rejection” on page 163 of this Draft Letter of Offer. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, - please see “Terms of Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” on page 159 of this Draft Letter of Offer.

Options available to the Eligible Equity Shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
- v) renounce its Rights Entitlements in full.

Making of an Application through the ASBA process

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, their directors, their employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

Do's for Investors applying through ASBA:

- a. Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- b. Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialised form only.
- c. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- d. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- e. Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- f. Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- g. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your

submission of the Application Form in physical form or plain paper Application.

- h. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.
- i. Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

Don'ts for Investors applying through ASBA:

- a. Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- b. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- c. Do not send your physical Application to the Registrar, a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- d. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- e. Do not submit Application Form using third party ASBA account.

Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar or the Stock Exchange. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application. If an Eligible Equity Shareholder makes an Application both in an Application Form as well as on plain paper, both applications are liable to be rejected.

Please note that in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilise the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Parvati Sweetners and Power Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
5. Number of Equity Shares held as at Record Date;
6. Allotment option – only dematerialised form;
7. Number of Rights Equity Shares entitled to;
8. Number of Rights Equity Shares applied for within the Rights Entitlements;
9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Rights Equity Shares applied for;
11. Total amount paid at the rate of ₹[●]per Rights Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);
16. An approval obtained from any regulatory authority, if required, shall be obtained by the Eligible Equity Shareholders and a copy of such approval from any regulatory authority, as may be required, shall be sent to the Registrar at parvati.rightsissue@purvashare.com; and
17. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in “Restrictions on Purchases and Resales” on page 183 of this Draft Letter of Offer, and shall include the following:

“I/ We hereby make representations, warranties and agreements set forth in “Restrictions on Purchases and Resales” on page 183 of this Draft Letter of Offer.

I/ We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the representations, warranties and agreements set forth therein.”

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.purvashare.com.

Our Company and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two clear Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as at Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two clear Working Days prior to the Issue Closing Date;
- b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- c) The remaining procedure for Application shall be same as set out in “*Terms of Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 159 of this Draft Letter of Offer.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as at the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialised Rights Entitlements are transferred from the suspense demat account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process.

Application for Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered, and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “*Terms of Issue—Basis of Allotment*” on page 175 of this Draft Letter of Offer.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

Additional general instructions for Investors in relation to making of an Application

- a) Please read the Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
- b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regards to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under “*Terms of Issue—Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 159 of this Draft Letter of Offer.
- d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.
- e) Applications should not be submitted to the Bankers to the Issue, our Company or the Registrar.
- f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, or the Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.
- h) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be

either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.

- j) Investors should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ Folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. The investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- l) All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- m) Investors are required to ensure that the number of Rights Equity Shares applied by them do not exceed the prescribed limits under the applicable law.
- n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- r) Do not submit multiple Applications.
- s) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.
- t) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

- a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- c) Sending an Application to our Company, Registrar, to a branch of a SCSB which is not a Designated

Branch of the SCSB.

- d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- f) Account holder not signing the Application or declaration mentioned therein.
- g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer.
- m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- p) Applications which: (i) appear to our Company or its agents to have been executed in, electronically transmitted from or dispatched from jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States, and is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.
- q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- r) Application from Investors that are residing in U.S. address as per the depository records.

Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialised form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using Additional Rights Entitlement

will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, please see “*Terms of Issue—Procedure for Applications by Mutual Funds*” on page 166 of this Draft Letter of Offer.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications on through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoters or members of our Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in “*Capital Structure*” on page 43 of this Draft Letter of Offer.

Procedure for Applications by certain categories of Investors

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, 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 that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates (i.e., 100% under automatic route).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

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:

- a) such offshore derivative instruments are transferred only to persons in accordance with 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 are pre – approved by the FPI.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to

invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of our Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any Allotments made by relying on such approvals.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will 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 will 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. 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.

Further, in accordance with press note 3 of 2020, the FDI Circular 2020 has been amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue

Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in “*Terms of Issue—Basis of Allotment*” on page 175 of this Draft Letter of offer.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, whether applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as at the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (www.purvashare.com) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.parvatisweetners.co.in).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialised form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain

frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under Rights Issue for subscribing to the Rights Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (www.purvashare.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense account (namely, “[●] RE Suspense Account”) opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

Renouncees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer. In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, the Eligible Equity Shareholders, who hold Equity Shares in physical form as at Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange (the “**On Market Renunciation**”); or (b) through an off-market transfer (the “**Off Market Renunciation**”), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Payment Schedule of Rights Equity Shares

₹[●]per Rights Equity Share (including premium of ₹[●]per Rights Equity Share) shall be payable on Application.

Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

a) On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock-broker in the same manner as the existing Equity Shares.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN: [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time

to time.

The Rights Entitlements are tradable in dematerialised form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●]2022 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: [●] and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

b) Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date to enable Renouncees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorising the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in

the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalisation of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-Tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, please see “*The Issue*” on page 37 of this Draft Letter of Offer.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] Equity Share for every [●] Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or not in the multiple of [●] the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares shall have 'zero' entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

Ranking

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under this Issue shall, upon being fully paid-up rank pari passu with the existing Equity Shares, in all respects including dividends.

Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number [●] dated [●]. Our Company will apply to the Stock Exchange for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code:541347) under the ISIN: INE295Z01015. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within four days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

Subscription to this Issue by our Promoters and members of our Promoter Group

For details of the intent and extent of subscription by our Promoters and members of our Promoter Group, please see “*Capital Structure – Subscription to the Issue by the Promoters and the Promoter Group*” on page 43 of this Draft Letter of Offer

Rights of Holders of Rights Equity Shares

Subject to applicable laws, Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

- a) The right to receive dividend, if declared;
- b) The right to receive surplus on liquidation;
- c) The right to receive offers for rights shares and be allotted bonus shares, if announced;
- d) The right to free transferability of Rights Equity Shares;
- e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in this Draft Letter of Offer; and
- f) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

VII. GENERAL TERMS OF THE ISSUE

Market Lot

The Rights Equity Shares shall be tradable only in dematerialised form. The market lot for the Rights Equity Shares in dematerialised mode is one Equity Share.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of the Rights Equity Shares offered in this Issue.

Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

Arrangements for Disposal of Odd Lots

The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

Notices

In accordance with the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Hindi language daily newspaper with wide circulation (Hindi being the regional language of Bhopal, where our Registered Office is located).

This Draft Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

Offer to Non-Resident Eligible Equity Shareholders/Investors

As per Rule 7 of the FEMA Rules, RBI has given general permission to a person resident outside India and having investment in an Indian company to make investment in rights equity shares issued by such company subject to certain conditions. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, subject to the conditions set out therein (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at (www.purvashare.com). It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchange. Further, Application Forms will be made available at Registered Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, OCBs have been derecognised as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and to obtain prior

approval from RBI for applying in this Issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. by email to parvati.rights@purvashare.com.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALISED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, PLEASE SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 176 OF THIS DRAFT LETTER OF OFFER.

VIII. ISSUE SCHEDULE

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[●]
ISSUE OPENING DATE	[●]
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS #	[●]
ISSUE CLOSING DATE*	[●]
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF CREDIT (ON OR ABOUT)	[●]
DATE OF LISTING (ON OR ABOUT)	[●]

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

* *Our Board or a duly authorised committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as at Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., [●], to enable the credit of the Rights Entitlements by way of transfer from the demat suspense account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●]. If demat account details are not provided by the Eligible Equity Shareholders holding Equity Shares in physical form to the Registrar or our Company by the date mentioned above, such shareholders will not be allotted any Rights Equity Shares nor such Rights Equity Shares be kept in suspense account on behalf of such shareholder in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar, is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e., [●]). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts. Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e., [●]) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company.

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

- Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied

for Rights Equity Shares renounced in their favour, in full or in part.

- b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board or its Rights Issue Committee in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

- 1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
- 2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- 3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Banker to the Issue to refund such Applicants.

X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the

Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of four days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are “officers in default” shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 days’ period.

The Rights Entitlements will be credited in the dematerialised form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be unblocked. The unblocking of ASBA funds / refund of monies shall be completed within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

XI. PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

- a) Unblocking amounts blocked using ASBA facility.
- b) **NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition (“MICR”) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- c) **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“IFSC Code”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as at a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar, to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- d) **Direct Credit** – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- e) **RTGS** – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.

- f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
- g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Rights Equity Shares in Dematerialised Form

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALISED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS AT THE RECORD DATE.

Investors shall be Allotted the Rights Equity Shares in dematerialised (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialised form, instead of holding the Equity Shares in the form of physical certificates:

- a) Tripartite agreement dated February 02, 2018 amongst our Company, NSDL and the Registrar to the Company; and
- b) Tripartite agreement dated January 22, 2018 amongst our Company, CDSL and the Registrar to the Company

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALISED FORM

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application

Form should be the same as registered with the Investor's depository participant.

4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialised form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with Investor Education and Protection Fund (IEPF) authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, through physical dispatch.
7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

XIII. IMPERSONATION

Attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹0.1 crore or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹0.1 crore or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹0.5 crore or with both.

XIV. UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

- A. All monies received out of this Issue shall be transferred to a separate bank account;
- B. Details of all monies utilised out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed until the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- C. Details of all unutilised monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the

form in which such unutilised monies have been invested.

XV. UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Equity Shares are to be listed will be taken by our Board within the period prescribed by SEBI.
3. The funds required for unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Applicant within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
5. In case of unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
6. Adequate arrangements shall be made to collect all ASBA Applications.
7. As of the date of this Draft Letter of Offer, our Company had not issued any outstanding compulsorily convertible debt instruments. Further, except as disclosed in this Draft Letter of Offer, our Company has not issued any outstanding convertible debt instruments.
8. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

XVI. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

1. Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer must be addressed (quoting the registered folio number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as at Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and superscribed "**Parvati Sweetners and Power Limited – Rights Issue**" on the envelope and postmarked in India) to the Registrar at the following address:

Purva Sharegistry (India) Private Limited
Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate,
J. R. Boricha Marg, Lower Parel East,
Mumbai – 400011, Maharashtra,
Contact Details: +91-22-2301 6761/ 8261;
Email Address: support@purvashare.com;
Investor grievance email: support@purvashare.com
Contact Person: Ms. Deepali Dhuri;
Website: www.purvashare.com;
SEBI Registration Number: INR000001112

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties

faced by the Investors will be available on the website of the Registrar to the Issue (Email Id: support@purvashare.com). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is +91 22 23016761 / 8261.

4. The Investors can visit following links for the below-mentioned purposes:
- a) Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: <https://www.purvashare.com>
 - b) Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: <https://www.purvashare.com>
 - c) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: <https://www.purvashare.com>
 - d) Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Equity Shareholders: <https://www.purvashare.com>

This Issue will remain open for a minimum 7 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“**FDI**”) and approval from the Government of India will not be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“**DPIIT**”), Ministry of Finance, Department of Economic Affairs through the FDI Circular 2020 (defined below).

The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“**FDI Circular 2020**”), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as at October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular. The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under the FEMA Rules will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“OCBs”) have been derecognised as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and FEMA Rules. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

RESTRICTIONS ON PURCHASES AND REALES

Eligibility and Restrictions

General

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of the Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that the Letter of Offer will be filed with the Stock Exchange and submitted to the SEBI for information and dissemination.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into: (i) the United States, or (ii) any jurisdiction other than India except in accordance with the legal requirements applicable in such jurisdiction.

Receipt of the Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone: (i) in the United States or (ii) any jurisdiction in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer and any other Issue Materials should not distribute or send the Letter of Offer or any such documents in or into any jurisdiction where to do so would or might contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer or any other Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares. Rights Entitlements may not be transferred or sold to any person outside India except in accordance with applicable law.

The Letter of Offer is, and the other Issue Materials will be, supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

Australia

The Letter of Offer does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) (“**Australian Corporations Act**”) and does not purport to include the information required of a disclosure document under the Australian Corporations Act. The Letter of Offer is not a disclosure document under Chapter 6D of the Corporations Act of Australia and it has not been lodged with the Australian Securities and Investments Commission (“ASIC”) and no steps have been taken to lodge it as such with ASIC. It is not required to, and does not, contain all the information which would be required in a disclosure document.

Any offer in Australia of the Rights Entitlements and Equity Shares under the Letter of Offer may only be made to persons who are “sophisticated investors” (within the meaning of section 708(8) of the Australian Corporations Act), to “professional investors” (within the meaning of section 708(11) of the Australian Corporations Act) or otherwise pursuant to one or more exemptions under section 708 of the Australian Corporations Act so that it is lawful to offer the Rights Entitlements and Equity Shares in Australia without disclosure to investors under Part 6D.2 of the Australian Corporations Act.

If you are acting on behalf of, or acting as agent or nominee for, an Australian resident and you are a recipient of the Letter of Offer, and any offers made under the Letter of Offer, you represent to the Issuer that you will not

provide the Letter of Offer or communicate any offers made under the Letter of Offer to, or make any applications or receive any offers for Rights Entitlements or the Equity Shares for, any Australian residents unless they are a “sophisticated investor” or a “professional investor” as defined by section 708 of the Australian Corporations Act.

Any offer of the Rights Entitlements or the Equity Shares for on-sale that is received in Australia within 12 months after their issue by our Company, or within 12 months after their sale by a selling security holder under the Issue, as applicable, is likely to need prospectus disclosure to investors under Part 6D.2 of the Australian Corporations Act, unless such offer for on-sale in Australia is conducted in reliance on a prospectus disclosure exemption under section 708 of the Australian Corporations Act or otherwise. Any persons acquiring the Rights Entitlements and the Equity Shares should observe such Australian on-sale restrictions.

Bahrain

The Letter of Offer and the Rights Entitlements and the Rights Equity Shares that are offered pursuant to the Letter of Offer have not been registered, filed, approved or licensed by the Central Bank of Bahrain (“CBB”), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism (“MOICT”) or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in the Letter of Offer, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. The Letter of Offer is only intended for Accredited Investors as defined by the CBB. We have not made and will not make any invitation to the public in the Kingdom of Bahrain to subscribe to the Rights Equity Shares and the Letter of Offer will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. All marketing and offering of the Rights Equity Shares shall be made outside the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved the Letter of Offer and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of Rights Equity Shares.

British Virgin Islands

No offer or invitation to subscribe for the Rights Entitlements and the Rights Equity Shares has been or will be made to the public in the British Virgin Islands.

China

No action has been taken by our Company which would permit an offering of Rights Entitlements or the Rights Equity Shares or the distribution of the Letter of Offer in the People's Republic of China (“PRC”). The Letter of Offer may not be circulated or distributed in the PRC and the Rights Entitlements and the Rights Equity Shares may not be offered or sold, and will not be offered or sold to any person for re-offering or resale directly or indirectly to, or for the benefit of, legal or natural persons of the PRC except pursuant to applicable laws and regulations of the PRC. Further, no legal or natural persons of the PRC may directly or indirectly purchase any of the Rights Entitlements and the Equity Shares or any beneficial interest therein without obtaining all prior PRC’s governmental approvals that are required, whether statutorily or otherwise. Persons who come into possession of the Letter of Offer are required to observe these restrictions. For the purpose of this paragraph, PRC does not include Taiwan and the special administrative regions of Hong Kong and Macau.

Cayman Islands

No offer or invitation to subscribe for the Rights Entitlements and the Rights Equity Shares may be made to the public in the Cayman Islands.

European Economic Area

In relation to each Member State of the European Economic Area (each a “**Relevant State**”), an offer to the public of any Rights Entitlement or Rights Equity Shares may not be made in that Relevant State, except if the Rights Entitlement or Rights Equity Shares are offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation (EU) 2017/1129 (and any amendment thereto) (the “**Prospectus Regulation**”):

- a) to any legal entity that is a qualified investor, as defined in the Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation); or
- c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Rights Entitlement or Rights Equity Shares shall result in a requirement for the publication by our Company of a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement of a prospectus pursuant to Article 23 of the Prospectus Regulation. The Letter of Offer is not a prospectus for the purposes of the Prospectus Regulation.

For the purposes of this subsection, the expression an “offer to the public” in relation to any Rights Entitlement or Rights Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Issue so as to enable an investor to decide to purchase or subscribe for the Rights Entitlement or Rights Equity Shares.

Hong Kong

The Rights Entitlements and the Equity Shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the Rights Entitlements and the Equity Shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the Rights Entitlements and the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Japan

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law. No. 25 of 1948 as amended) (the “**FIEA**”) and disclosure under the FIEA has not been and will not be made with respect to the Rights Entitlements and the Rights Equity Shares. No Rights Entitlements or Rights Equity Shares are, directly or indirectly, being offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in the first sentence of Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Contract Act of Japan (Law No. 228 of 1949, as amended) (“**Japanese Resident**”) or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

If an offeree does not fall under a “qualified institutional investor” (tekikaku kikan toshika), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Act (Ordinance of the Ministry of Finance No. 14 of 1993, as amended) (the “Qualified Institutional Investor”), the Rights Entitlements and Equity Shares will be offered in Japan by a private placement to a small number of investors (shoninzu muke kanyu), as provided under Article 23- 13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made.

If an offeree is a Qualified Institutional Investor, the Rights Entitlements and the Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investor (tekikaku kikan toshikamuke kanyu), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. Any Qualified Institutional Investor purchasing Rights Equity Share agree that it will not, directly or indirectly, resell, assign, transfer, or otherwise dispose of the Rights Equity Shares to any Japanese Resident other than to another Qualified

Institutional Investor.

Kuwait

The Letter of Offer and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Rights Entitlements or the Equity Shares in the State of Kuwait. The Rights Entitlements and the Equity Shares have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Rights Entitlements and the Equity Shares in State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of financial services/products in the State of Kuwait. No private or public offering of the Rights Entitlements or the Equity Shares is or will be made in the State of Kuwait, and no agreement relating to the sale of the Rights Entitlements or the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Rights Entitlements or the Equity Shares in the State of Kuwait.

Mauritius

The Rights Entitlements and the Rights Equity Shares may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither the Letter of Offer nor any offering material or information contained herein relating to the offer of the Rights Entitlements and the Rights Equity Shares may be released or issued to the public in Mauritius or used in connection with any such offer. The Letter of Offer does not constitute an offer to sell the Rights Entitlements and the Rights Equity Shares to the public in Mauritius and is not a prospectus as defined under the Companies Act 2001.

Singapore

The Letter of Offer has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289) of Singapore (“SFA”). The offer of Rights Entitlements and Rights Equity Shares pursuant to the Rights Entitlements to Eligible Equity Shareholders in Singapore is made in reliance on the offering exemption under Section 273(1)(cd) of the SFA.

Eligible Equity Shareholders in Singapore may apply for additional Rights Equity Shares over and above their Rights Entitlements only (i) if they are an “institutional investor” within the meaning of Section 274 of the SFA and in accordance with the conditions of an exemption invoked under Section 274, (ii) if they are a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where any additional Rights Equity Shares over and above their Rights Entitlements are purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired such Rights Equity Shares pursuant to an offer made under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interest in that trust are acquired at a consideration of not less than SGP\$ 200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for a corporation, in accordance with the conditions specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), our Company has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA) that the Rights Entitlements and the Rights Equity Shares are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and

United Kingdom

No Rights Entitlement or Rights Equity Shares may be offered in the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Rights Entitlement and Rights Equity Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234, except that our Company may make an offer to the public in the United Kingdom of Rights Entitlement and Rights Equity Shares at any time:

- a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation); or
- c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of Rights Entitlement or Rights Equity Shares shall result in a requirement for the publication by our Company of a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an “offer to the public” in relation to any Rights Entitlement or Rights Equity Shares in means a communication to persons in any form and by any means presenting sufficient information on the terms of the Issue so as to enable an investor to decide to purchase or subscribe for the Rights Entitlement or Rights Equity Shares and the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Except for each person who is not a qualified investor as defined in the UK Prospectus Regulation and who has notified our Company of such fact in writing and has received the consent of our Company in writing to subscribe for or purchase Rights Equity Shares, each person in the United Kingdom who acquires Rights Equity Shares shall be deemed to have represented and warranted that it is a qualified investor as defined in the UK Prospectus Regulation.

In addition, the Letter of Offer may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Financial Promotion Order**”); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (each such person being referred to as a “**Relevant Person**”). If you are not a Relevant Person, you should not take any action on the basis of the Letter of Offer and you should not act or rely on it or any of its contents. Except for each person who is not a Relevant Person and who has notified our Company of such fact in writing and has received the consent of our Company in writing to subscribe for or purchase Rights Equity Shares, each person in the United Kingdom who acquires Rights Equity Shares shall be deemed to have represented and warranted that it is a Relevant Person.

United Arab Emirates (excluding the Dubai International Financial Centre)

The Letter of Offer has not been, and is not intended to be, approved by the UAE Central Bank, the UAE Ministry of Economy, the Emirates Securities and Commodities Authority or any other authority in the United Arab Emirates (the “UAE”) or any other authority in any of the free zones established and operating in the UAE. The Rights Entitlements and the Rights Equity Shares have not been and will not be offered, sold or publicly promoted or advertised in the UAE in a manner which constitutes a public offering in the UAE in compliance with any laws applicable in the UAE governing the issue, offering and sale of such securities. The Letter of Offer is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any other person other than the original recipient and may not be used or reproduced for any other purpose.

Dubai International Financial Centre

The Rights Entitlement and the Rights Equity Shares offered in the Issue are not being offered to any persons in the Dubai International Financial Centre except on that basis that an offer is: (i) an “Exempt Offer” in accordance with the Markets Rules (MKT) (the “**Markets Rules**”) adopted by the Dubai Financial Services Authority (the

“DFSA”); and (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook and are not natural Persons. The Letter of Offer must not be delivered to, or relied on by, any other person. The DFSA has not approved the Letter of Offer nor taken steps to verify the information set out in it and has no responsibility for it. Capitalised terms not otherwise defined in this subsection have the meaning given to those terms in the Markets Rules.

The Equity Shares may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Rights Equity Shares offered in the Offer should conduct their own due diligence on the Equity Shares. If you do not understand the contents of the Letter of Offer, you should consult an authorised financial adviser.

United States

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state securities laws. The Rights Entitlements and the Rights Equity Shares are only being offered and sold outside the United States in offshore transactions, as defined in and in compliance with Regulation S. Neither the receipt of the Letter of Offer nor any of its accompanying documents constitutes an offer of the Rights Entitlements or the Rights Equity Shares to any Eligible Equity Shareholder other than the Eligible Equity Shareholders who has received the Letter of Offer and its accompanying documents directly from our Company.

Representations, Warranties and Agreements by Purchasers

In addition to the applicable representations, warranties and agreements set forth above, each purchaser, by accepting the delivery of the Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted, acknowledged and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the “purchaser”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser has the full power and authority to make the representations, warranties, acknowledgements, undertakings and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the representations, warranties, acknowledgements, undertakings and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
2. If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer.
3. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.
4. The purchaser acquiring the Rights Equity Shares for one or more managed accounts, represents and warrants that the purchaser has been authorized in writing, by each such managed account to acquire the Rights Equity Shares for each managed account and make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference herein to ‘the purchaser’ to include such accounts.
5. The purchaser is eligible to invest in India under applicable law, including the FEMA Rules and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, RBI or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India. Further, the purchaser is eligible to invest in and hold the Rights Equity Shares in accordance with the FDI Policy, read along with the press note 3 of 2020 dated

April 17, 2020 issued by the Department for Promotion of Industry and Internal Trade, Government of India and the related amendments to the FEMA Rules wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules.

6. The purchaser is investing in the Rights Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in the Issue, the purchaser is not in violation of any applicable law, including but not limited to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and the Companies Act, 2013, each as amended and/or substituted from time to time.
7. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of the Letter of Offer with the Stock Exchange and its submission with the SEBI for information and dissemination); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements (except in India) or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.
8. The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in the Issue.
9. None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.
10. Prior to making any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, the purchaser (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of the Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to us and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (iv) will have conducted its own due diligence on our Company and the Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company (including any research reports) (other than, with respect to our Company and any information contained in the Letter of Offer); and (v) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.
11. Without limiting the generality of the foregoing, the purchaser acknowledges that the Equity Shares are listed on BSE Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent financial results, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes the "Exchange Information"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) none of our Company, any of its affiliates has made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.

12. The purchaser acknowledges that any information that it has received or will receive relating to or in connection with the Issue, and the Rights Entitlements or the Rights Equity Shares, including the Letter of Offer and the Exchange Information, has been prepared solely by our Company.
13. The purchaser acknowledges that no written or oral information relating to the Issue, and the Rights Entitlements or the Rights Equity Shares has been or will be provided by our Company.
14. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, undertakings and agreements and other information contained in the Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar or any other person acting on behalf of us have reason to believe is in the United States or is ineligible to participate in the Issue under applicable securities laws.
15. The purchaser is aware that the Rights Entitlements and the Equity Shares have not been and will not be registered under the Securities Act or the securities law of any state of the United States and that the offer of the Rights Entitlements and the offer and sale of the Rights Equity Shares to the purchaser was made in accordance with Regulation S.
16. The purchaser was outside the United States at the time the offer of the Rights Entitlements and Rights Equity Shares was made to it and the purchaser was outside the United States when the purchaser's buy order for the Rights Equity Shares was originated.
17. The purchaser did not accept the Rights Entitlements or subscribe to the Rights Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S).
18. The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If, in the future, the purchaser decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares: (i) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.
19. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for, and authorized to consummate the purchase of, the Rights Equity Shares in compliance with all applicable laws and regulations. If the purchaser is outside India:
 - a. the purchaser, and each account for which it is acting, satisfies: (i) all suitability standards for investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe, and is subscribing, for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence; and
 - b. the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
20. Except for the sale of Rights Equity Shares on the Stock Exchange, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.
21. The purchaser is a highly sophisticated investor and has such knowledge and experience in financial, business and international investment matters and is capable of independently evaluating the merits and risks (including for tax, legal, regulatory, accounting and other financial purposes) of an investment in the Rights Entitlements and the Rights Equity Shares. It, or any account for which it is acting, has the financial ability to bear the economic risk of investment in the Rights Entitlements and the Rights Equity Shares, has adequate means of providing for its current and contingent needs, has no need for liquidity with respect

to any investment it (or such account for which it is acting) may make in the Rights Entitlements and the Rights Equity Shares, and is able to sustain a complete loss in connection therewith and it will not look to our Company for all or part of any such loss or losses it may suffer.

22. Each of the aforementioned representations, warranties, acknowledgements and agreements shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Rights Equity Shares. The purchaser shall hold our Company harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of its representations, warranties, acknowledgements and agreements set forth above and elsewhere in the Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.
23. The purchaser acknowledges that our Company and its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements which are given to our Company, and are irrevocable.
24. The purchaser agrees that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Bhopal, Madhya Pradesh, India shall have sole and exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Letter of Offer and other Issue Materials.

SECTION X - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available for inspection at the corporate office of the Company till the issue closing date on working days and working hours between 11:00 A.M. to 5:00 P.M. and also shall be available on the website of the Company at www.parvatisweetners.co.in from the date of this Draft Letter of Offer until the Issue Closing Date.

Additionally, any person intending to inspect the abovementioned contracts and documents electronically, may do so, by writing an email to info@parvatisweetners.co.in

1. Material Contracts for the Issue

- (i) Registrar Agreement dated December 07, 2022 entered into amongst our Company and the Registrar to the Issue.
- (ii) Escrow Agreement dated [●] amongst our Company, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank.

2. Material Documents

- (i) Certified true copies of the Certificate of Incorporation, the Memorandum of Association and the Articles of Association of our Company as amended from time to time.
- (ii) Resolution of the Board of Directors dated August 13, 2022 in relation to the approval of this Issue.
- (iii) Resolution passed by our Rights Issue Committee dated [●] finalizing the terms of the Issue including Record Date and the Rights Entitlement ratio
- (iv) Resolution of the Board of Directors dated December 13, 2022 approving and adopting the Draft Letter of Offer.
- (v) Resolution of the Board of Directors dated [●] approving and adopting the Letter of Offer.
- (vi) Consent of our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory and Peer Review Auditor, Legal Advisor, the Registrar to the Issue, Banker to the Issue/ Refund Bank for inclusion of their names in the Draft Letter of Offer in their respective capacities.
- (vii) Copies of Annual Reports of our Company for Financial years 2022, 2021 and 2020.
- (viii) The examination reports dated November 21, 2022 of the Statutory Auditor, on our Company's Audited Financial Statements, included in this Draft Letter of Offer.
- (ix) Statement of Tax Benefits dated November 21, 2022 from the Statutory Auditor included in this Draft Letter of Offer.
- (x) Tripartite Agreement dated February 02, 2018 between our Company, NSDL and the Registrar to the Issue.
- (xi) Tripartite Agreement dated January 22, 2018 between our Company, CDSL and the Registrar to the Issue.
- (xii) In principle listing approval dated [●] issued by BSE Limited.

Any of the contracts or documents mentioned in this Draft Letter of Offer 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.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Poonam Chouksey
(Chairman and Managing Director)

Sd/-

Anupam Chouksey
(Executive Director)

Sd/-

Pooja Shree Chouksey
(Non- Executive Director)

Sd/-

Rohit Bhatnagar
(Non- Executive Independent Director)

Sd/-

Vineet Richhariya
(Non- Executive Independent Director)

Sd/-

Kuldeep Mudgal
(Non- Executive Independent Director)

Sd/-

Vishal Shivhare
(Chief Financial Officer)

Place: Bhopal

Date: December 13, 2022