





## ARUNJYOTI BIO VENTURES LIMITED

Our Company was incorporated as Century 21st Portfolio Limited (“Company”) as a public limited company under the Companies Act, 1956 vide Certificate of Incorporation dated February 27, 1986 with Registrar of Companies (“RoC”) Delhi & Haryana, New Delhi bearing registration number 23476 of 1985-86 and received a Certificate for Commencement of Business on March 17, 1986 by RoC Delhi & Haryana. Thereafter, our Company’s place of Registered Office was changed from Delhi to Andhra Pradesh on December 13, 2008 which was certified by RoC Andhra Pradesh on January 15, 2009 and was shifted to 8-2-682/3/A&B, Suite No.404, Mayfair Gardens, Road No.12, Banjara Hills, Hyderabad, Andhra Pradesh - 500034.”. Subsequently, the name of the Company was changed from ‘Century 21st Portfolio Limited to ‘Arunjyoti Bio Ventures Limited ‘vide certificate dated January 12, 2015, issued by Registrar of Companies, Hyderabad, Telangana upon grant of fresh Certificate bearing Corporate Identification Number ‘L01400TG1986PLC062463’. The registered office of the Company was changed from 8-2-682/3/A&B, Suite No.404, Mayfair Gardens, Road No.12, Banjara Hills, Hyderabad, Andhra Pradesh-500034 to Plot No. 45, P & T Colony, Karkhana, Secunderabad-500009, Telangana, India with effect from May 26, 2014. Subsequently, the registered office of our Company was changed to Door No.1-98/1/JSIC/6F/604-B6th Floor, Jain Sadhguru Capital Park, Beside Image Gardens, Madhapur, Shaikpet, Hyderabad – 500081 Telangana, India with effect from March 21, 2023. For further information, please refer the chapter “General Information” on page 38 of this Draft Letter of Offer.

**Registered Office:** Door No.1-98/1/JSIC/6F/604-B6th Floor, Jain Sadhguru Capital Park, Beside Image Gardens, Madhapur, Shaikpet, Hyderabad– 500081 Telangana, India;

**Contact Number:** + 91 40-66684220, **Facsimile:** +91: NA, **E-mail Address:** cenport@gmail.com; **Website:** https://www.abvl.co.in/;

**Contact Person:** Swati Jain, Company Secretary and Compliance Officer; **Corporate Identification Number:** L01400TG1986PLC062463

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF ARUNJYOTI BIO VENTURES LIMITED (THE “COMPANY” OR THE “ISSUER”) ONLY		
WE HEREBY CONFIRM THAT NONE OF OUR PROMOTERS OR DIRECTORS ARE WILFUL DEFAULTERS AS ON DATE OF THIS DRAFT LETTER OF OFFER		
<b>ISSUE OF UPTO 1,65,67,200 FULLY PAID-UP EQUITY SHARES OF FACE VALUE ₹ 10 EACH (“RIGHTS EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 20/- PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹ 10/- PER RIGHTS EQUITY SHARE) AGGREGATING UPTO ₹ 3313.44 LAKHS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 8 RIGHTS EQUITY SHARES FOR EVERY 1 FULLY PAID-UP EQUITY SHARE HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE THAT IS [●]. PLEASE REFER TO THE CHAPTER TITLED “TERMS OF THE ISSUE” ON PAGE 136 OF THIS DRAFT LETTER OF OFFER.</b>		
*Assuming full subscription. Subject to finalisation of the Basis of Allotment		
GENERAL RISKS		
Investments 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 entire 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 Rights Equity Shares 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 the contents of this Draft Letter of Offer. Specific attention of the investors is invited to the section titled “Risk Factors” on page 20 of this Draft Letter of Offer.		
OUR 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 this Issue, which is material in the context of this 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 in part or any of such information or the expression of any such opinions or intentions, misleading in any material respect.		
LISTING		
The existing Equity Shares are listed only on BSE Limited (“BSE”). Our Company has received ‘in-principle’ approval from BSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide its letter dated [●]. Our Company will also make application to BSE to obtain trading approval 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 purpose of this Issue, the Designated Stock Exchange is BSE.		
LEAD MANAGER TO THE ISSUE		REGISTRAR TO THE ISSUE
		
<b>BAJAJ CAPITAL LIMITED</b> Mezzanine Floor, Bajaj House, 97, Nehru Place, New Delhi -110019, India. <b>Telephone:</b> +91 11 - 41693000; <b>E-mail:</b> info@bajajcapital.com; <b>Investor grievance:</b> info@bajajcapital.com <b>Website:</b> www.bajajcapital.com. <b>Contact Person:</b> P. Balraj <b>SEBI Registration Number:</b> INM000010544 <b>Validity of Registration:</b> Permanent		<b>VENTURE CAPITAL AND CORPORATE INVESTMENTS PRIVATE LIMITED</b> AURUM, 5th Floors, Plot No. 57, Jayabheri Enclave, Phase II, Gachibowli, , Hyderabad, Serilingampally, Telangana, India, 500032 <b>Telephone:</b> +91 40 - 23818475/76 & 23868023 <b>E-mail:</b> pvsrinivas@vccipl.com <b>SEBI Registration Number:</b> INR000001203 <b>Website:</b> https://www.vccipl.com/ <b>Contact Person:</b> P V Srinivasa Rao <b>Validity of Registration:</b> Permanent
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 account of the Renouncee(s) on or prior to the Issue Closing Date.

\*\*Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (Thirty) 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.

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Letter of Offer uses certain definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.*

*Unless otherwise specified, the capitalized terms used in this Draft Letter of Offer shall have the meaning as defined hereunder. References to any legislations, acts, regulation, rules, guidelines, circulars, notifications, policies or clarifications shall be deemed to include all amendments, supplements or re-enactments and modifications thereto notified from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under such provision.*

*The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in sections/chapters titled “Industry Overview”, “Summary of this Draft Letter of Offer”, “Financial Information”, “Statement of Special Tax Benefits”, “Outstanding Litigation and Defaults” and “Issue Information” on pages 54,18,91,50,127 and 136 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.*

#### Conventional / General Terms

Term	Description
Arunjyoti Bioventures Limited / ABVL / We / us / Our / our / Company or Issuer	Unless the context otherwise indicates or implies refers to Arunjyoti Bio Ventures Limited, a Public Limited Company Incorporated Under The Provisions Of The Companies Act, 1956 Having Its Registered Office At Door No.1-98/1/JSIC/6F/604-B6th Floor, Jain Sadhguru Capital Park, Beside Image Gardens, Madhapur, Shaikpet, Hyderabad– 500081 Telangana, India.
AOA / Articles / Articles of Association	The Articles of Association of our Company, as amended, from time to time.
Auditors / Statutory Auditors	The current statutory auditors of our Company V. Ravi & Co. Chartered Accountants.
Audit Committee	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) and Section 177 of the Companies Act, 2013. For details, please see the section titled “ <b>Our Management</b> ” on page 83 of this Draft Letter of Offer.
Board / Board of Directors / Our Board	The Board of Directors of our Company, or a duly constituted Committee thereof. For details on the Board of Directors please refer to chapter titled “ <b>Our Management</b> ” on page 80 of this Draft Letter of Offer.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being, Swati Jain
Chief Financial Officer/CFO	The Chief Financial Officer of our Company, being Nadimpalli Vishal
Director(s)	Director(s) on the Board of Arunjyoti Bio Ventures Limited as appointed from time to time, unless otherwise specified
Equity Shares/Shares	Equity Shares of our Company having face value of ₹10.00/- each, fully paid up, unless otherwise specified in the context thereof
Equity Shareholders / Shareholders	Persons /entities holding Equity Shares of our Company, from time to time
Erstwhile Promoters	Promoters M. Praveen Kumar, Mittapalli Ramarao and Non-Promoter seller Pabbathi Venkata Ravi Kumar entered into a Share Purchase

	Agreement on July 14, 2022 with Pabbathi Badari Narayana Murthy, P S R Mahalakshmi prasanna and Dathvik Pabbathi (Acquirers) to sell their entire stake of Arunjyoti Bio Ventures Limited (“the Company”)
Independent Director	Independent directors on the Board, eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer to chapter titled “ <b><i>Our Management</i></b> ” on page 80 of this Draft Letter of Offer.
ISIN	International Securities Identification Number is INE485K01014
Key Management Personnel /KMP	Key management personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer “ <b><i>Our Management</i></b> ” on page 82 this Draft Letter of Offer.
MoA / Memorandum / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
Non-Executive Director(s)	Non-Executive directors of our Company. For details of our Non-Executive Directors, please refer to chapter titled “ <b><i>Our Management</i></b> ” on page 80 of this Draft Letter of Offer.
Promoters	Pabbathi Badari Narayana Murthy, PSR Mahalakshmi prasanna and Dathvik Pabbathi* *Company was acquired by abovementioned promoters through Share Purchase Agreement (SPA) dated July 14, 2022, and Letter of Offer dated September 08, 2022 in terms of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011.
Promoter Group	The promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations and which are disclosed by the Company to the Stock Exchanges from time to time.
Registered Office	Door No.1-98/1/JSIC/6F/604-B6th Floor, Jain Sadhguru Capital Park, Beside Image Gardens, Madhapur, Shaikpet, Hyderabad– 500081 Telangana, India.
Restated Financial Statements	The Restated Financial Information of our Company for the six months period ended 30 <sup>th</sup> September, 2023 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively, which comprises of the statement of assets and liabilities, the statement of profit and loss, the statement of cash flow statement, including a summary of significant accounting policies and other explanatory information. For details, please see the section titled “Financial Information” on page 91 of this Draft Letter of Offer.
Rights Issue Committee	The committee of our Board constituted for purposes of the Issue and incidental matters thereof.
Roc/Registrar of Companies	Registrar of Companies, Hyderabad, Telangana.
Senior Management	Senior management of our Company determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations. For details, see “Our Management” on page 82
Stakeholders’ Relationship Committee	Stakeholders’ relationship committee of our Board constituted in accordance with Regulation 20 of the SEBI Listing Regulations
Whole-Time Director and Chief Executive Office	Whole-time director and chief executive officer of our Company. For details, see “Our Management” on page 80

## ISSUE RELATED TERMS

Term	Description
Abridged Letter of Offer /ALOF	Abridged letter of offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act, 2013.
Additional Rights Equity Shares / Additional Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement
Allotment, Allot or Allotted	Allotment of Rights Equity Shares pursuant to the Issue.
Allotment Account(s)	The account(s) opened with the Banker(s) to this Issue, into which the 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, 2013.
Allotment Account Bank(s) or Refund Bank(s)	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the Allotment Account and Refund Account will be opened, in this case being, [•] .
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Investor who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Allotment Date	Date on which the Allotment is made pursuant to this Issue.
Allottee(s)	Person(s) who is Allotted Equity Shares pursuant to Allotment.
Applicant(s) or Investors	Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to apply or make an application for the Equity Shares pursuant to the Issue in terms of this Draft Letter of Offer.
Application	Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process.
Application Form	Unless the context otherwise requires, an application form used by an Investor to make an application for the Allotment of Equity Shares in the Issue.
Application Money	Aggregate amount payable in respect of the Equity Shares applied for in the Issue at the Issue Price for the Application.
Application Supported by Blocked Amount or ASBA	Application used by an ASBA Investor to make an application authorizing the SCSB to block the Application Money in a the ASBA Account maintained with the SCSB.
ASBA Account	Account maintained with the SCSB and specified in the Application Form or the plain paper Application by the Applicant for blocking the amount mentioned in the Application Form or the plain paper Application.
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 and SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022.
Banker to the Issue Agreement	Agreement dated [•] entered amongst our Company and the Registrar to the Issue and the Banker(s) to the Issue for receipt of the Application Money.
Banker to the Issue	The Allotment Account Banks and the Refund Account Bank to the Issue, in this case being [•].

Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in “ <i>Terms of the Issue</i> ” beginning on page 136 of this Draft Letter of Offer.
Common Application Form /CAF	The application form used by Investors to make an application for Allotment under the Issue
Controlling Branches or Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchanges, a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
Designated Branches	Such branches of the SCSBs which shall collect the Application Form or the plain paper application, as the case may be, used by the ASBA Investors and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
Designated Stock Exchange	BSE Limited
Draft Letter of Offer	This draft letter of offer dated January 17, 2024.
Eligible Shareholder(s) Equity	Holder(s) / Beneficial Owner of the Equity Shares of our Company as on the Record Date
IEPF	Investor Education and Protection Fund
Investor(s)	Eligible Equity Shareholder(s) of our Company on the Record Date, [•],[•], 2024, and the Renouncee(s)
ISIN	International securities identification number
Issue	Issue of up to 1,65,67,200 Equity Shares for cash at a price of ₹ 20/- per rights equity share (including a premium of ₹ 10/- per rights equity share) aggregating up to ₹ 3,313.44 Lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of 8 Rights Equity Shares for every 1 Equity Share held by the Eligible Equity Shareholders of our Company on the Record Date. • <i>Assuming full subscription</i>
Issue Closing Date	[•],[•], 2024
Issue Opening Date	[•],[•], 2024
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants can submit their Applications, in accordance with the SEBI ICDR Regulations
Issue Price	₹20/- per Rights Equity Share including a security premium of ₹10/- per Equity Share
Issue Proceeds or Gross Proceeds	Gross proceeds of the Issue
Issue Size	Amount aggregating up to ₹ 3313.44* Lakhs * <i>Assuming full subscription</i>
Letter of Offer or LOF	The final letter of offer to be filed with the Stock Exchange and SEBI
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchanges 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 Entitlement will not be treated as multiple application
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, see “ <i>Objects of the Issue</i> ” beginning on page 45.
NRI(s)	An individual resident outside India who is a citizen of India or is an ‘Overseas Citizen of India’ cardholder within the meaning of section 7(A) of the Citizenship Act, 1955, and shall have the meaning ascribed to such term in the FEMA Regulations

Non – Institutional Investor(s)	An Investor other than a Retail Individual Investor and a Qualified Institutional Buyer
Off Market Renunciation	The renunciation 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 and the circulars issued by the Depositories, from time to time, and other applicable laws
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchanges, from time to time, and other applicable laws, on or before [•],[•], 2024.
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 Eligible Equity Shareholders eligible to apply for Equity Shares, being [•],[•], 2024.
Refund Account Bank	The Banker to the Issue with whom the refund account will be opened, in this case being [•] .
Registrar to the Issue or Registrar	Venture Capital and Corporate Investments Private Limited
Registrar Agreement	Agreement dated January 16, 2024 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.
Renouncee(s)	Any person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders
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 [•], [•], 2024 in case of On Market Renunciation. 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 Renouncee on or prior to the Issue Closing Date.
Rights Entitlement(s) / RE's	Number of 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 8 Partly paid-up Rights Equity Shares for every 1 Equity Shares held by an Eligible Equity Shareholder
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 website of SEBI and / or such other website(s) as may be prescribed by SEBI from time to time.
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 finalization 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 Day(s)	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 Rights 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	Description
AI	Artificial Intelligence
BBCM	Big Beverages Contract Manufacturing
CPA	Association for Contract Packagers
ECPA	European CoPackers Association
FMCG	Fast Moving Consumer Goods
IBEF	India Brand Equity Foundation
Iot	Internet of Things
OEM	Original equipment manufacturer
PMMI	Association for Packaging and Processing Technologies
SAPC	South Atlantic Packaging Corporation
USDA	United States Department of Agriculture

## ABBREVIATIONS

Term	Description
₹/Rs./ Rupees / INR	Indian Rupees
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS/Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
AY	Assessment Year
BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994.
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investors / Category I FPIs	FPIs who are registered with SEBI as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations.
Category II foreign portfolio investor(s) / Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIBIL	Trans Union CIBIL Limited (formerly known as Credit Information Bureau (India) Limited)
CIN	Company Identification Number

CIRP	Corporate Insolvency Resolution Process
Client ID	Client identification number of the Applicant's beneficiary account
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act, 1956	The Companies Act, 1956, as amended from time to time
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder.
CS	Company Secretary
CSR	Corporate Social Responsibility
CST	Central Sales Tax
CP	Company Petition
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP	Depository Participant as defined under the Depositories Act
DP ID	Depository Participant's identification
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
ECS	Electronic Clearing System
EOGM / EGM	Extraordinary General Meeting
EMDEs	Emerging Market and Developing Economies
EPS	Earnings Per Share
FCNR Account	Foreign Currency Non-Resident Account established in accordance with the FEMA
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investor registered under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 as amended.
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI / Government	The Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST	Goods & Services Tax
HNI	High Networth Individuals
HUF	Hindu Undivided Family(ies)
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015

India	The Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time
Insolvency and Bankruptcy Code, 2016	The Insolvency and Bankruptcy Code, 2016, as amended
INR or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India.
IT	Information Technology
I. T. Act / Income Tax Act	Income Tax Act, 1961, as amended from time to time
I. T. Department	Income Tax Department, GoI.
IPO	Initial Public Offering
ISIN	International Securities Identification Number
Limited Liability Partnership or LLP	Limited Liability Partnership registered under the Limited Liability Partnership Act, 2008.
Merchant Banker or “BCL”	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MICR	Magnetic ink character recognition
MOU	Memorandum of Understanding
NA / N. A.	Not Applicable
NAV	Net Asset Value
NCLT	National Company Law Tribunal
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
No.	Number
NoC	No Objection Certificate
NR or Non-Resident	A person resident outside India, as defined under FEMA, including an Eligible NRI and FII
NRE Account	Non-Resident External Account
NRIs	A person resident outside India, as defined under FEMA and who is a citizen of India or a person of Indian origin, such term as defined under the Foreign Exchange Management (Deposit) Regulations, 2000.
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% 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
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
QA	Quality Assurance
QC	Quality Check / Control
R & D	Research and Development
RBI	The Reserve Bank of India
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time

SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
SEBI ICDR Regulations 2018	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as applicable
SEBI LODR Regulations, 2015/ SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 2, 2015, as amended from time to time.
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
Securities Act	U.S. Securities Act of 1933, as amended
SRA	Successful Resolution Applicant
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number allotted the Income Tax Act, 1961, as amended from time to time.
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
UPI	Unified Payment Interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VAT	Value added tax
VCFs / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
w. r. t.	With Respect To
Y-O-Y	Year-over-Year
Stock Exchanges	BSE Limited
STT	Securities transaction tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be

## NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, 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 this Draft Letter of Offer, the Abridged Letter of Offer or Application Form may come, are required to inform themselves about and observe such restrictions.

In accordance with SEBI ICDR Regulations, our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and the Issue Materials will be sent/ dispatched only to the Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. 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 email address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue materials 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 e-mail or send a physical copy of this Draft Letter of Offer, the Letter of offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form and other applicable Issue materials, shall not be sent this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter the Application Form and other applicable Issue materials.

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

Our Company, the Lead Manager, and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials in the event the Issue Materials have been sent on the registered email addresses of such Eligible Equity Shareholder(s).

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Issue Materials must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of the Issue Materials should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Issue Materials to any person outside India where to do so, would or might contravene local securities laws or regulations. If the Issue Materials is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in the Issue Materials.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue 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 his jurisdiction. Our Company, the Registrar or any other person acting on behalf of our Company reserves the right to treat any Common Application Form as invalid where they believe that Common Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Common Application Form. In addition, each purchaser of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in “Other Regulatory and Statutory Disclosures – Selling Restrictions” on page 130. Any person who acquires Rights Entitlements or Rights Equity Shares will be deemed to have represented, warranted and agreed, by accepting the delivery of the Draft Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and in each case is authorized to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations.

Neither the delivery of the Issue Materials 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 at any time subsequent to the date of this Draft Letter of Offer and the Abridged Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

**THE CONTENTS OF THIS DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, 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 EQUITY SHARES. IN ADDITION, NEITHER OUR COMPANY NOR THE LEAD MANAGER IS MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.**

#### **NO OFFER IN THE 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 IN THE UNITED STATES OF AMERICA OR THE TERRITORIES OR POSSESSIONS THEREOF ("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 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 THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT. THERE IS NO INTENTION TO REGISTER ANY PORTION OF THE ISSUE OR ANY OF THE SECURITIES DESCRIBED HEREIN IN THE UNITED STATES OR TO CONDUCT A PUBLIC OFFERING OF SECURITIES IN THE UNITED STATES. ACCORDINGLY, THIS DRAFT LETTER OF OFFER/ LETTER OF OFFER / ABRIDGED LETTER OF OFFER AND THE ENCLOSED APPLICATION FORM AND RIGHTS ENTITLEMENT LETTERS SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company nor any person acting on our behalf 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 our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter 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, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India.

Rights Entitlements may not be transferred or sold to any person in the United States.

**THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED, REDISTRIBUTED OR PASSED ON, DIRECTLY OR INDIRECTLY, TO ANY OTHER PERSON OR PUBLISHED, IN WHOLE OR IN PART, FOR ANY PURPOSE.**

## PRESENTATION OF FINANCIAL 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.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

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 and unless context requires otherwise, the financial data in this Draft Letter of Offer is derived from the Restated Financial Statements. For details see “**Financial Information**” on page 91.

Our Company’s fiscal year commences on April 1 and ends on March 31 of the following calendar year. Accordingly, all references to a particular “Financial Year” or “Fiscal Year” or “Fiscal” are to the 12 (twelve) months period ended March 31 of that year.

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.

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 also not attempted to 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, please refer to “Financial Information” beginning on page 91 of this Draft Letter of Offer.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounding off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Draft Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

## **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;

Our Company has presented certain numerical information in this Draft Letter of Offer in “lakh” or “Lac” units. One lakh represents 1,00,000 and one million represents 1,000,000. 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 Restated Financial Information.

## **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 LM or any of its affiliates or advisors. 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 20, 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.

## **Exchange Rates:**

This Draft Letter of Offer does not contain 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.

## FORWARD - LOOKING STATEMENTS

All statements contained in this Draft Letter of Offer that are not statements of historical facts shall constitute forward-looking statements. Forward looking statements appear throughout this Draft Letter of Offer, including, without limitation, under the chapters titled “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” and “Industry Overview” on page 20, 66, 121 and 54 respectively. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in this Draft Letter of Offer regarding matters that are not historical facts. These forward-looking statements and any other projections contained in this Draft Letter of Offer (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

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

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

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer chapter titled “Risk Factors” on page 20 of this Draft Letter of Offer. Forward looking statements reflect views as of the date of this Draft Letter of Offer and are not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company/our Directors nor the Lead Manager, nor any of its affiliates/advisers have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange.

## SUMMARY OF DRAFT LETTER OF OFFER

The following is a general summary of the certain terms of this Offer, and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Offer or all details relevant to the prospective investors. This summary should be read in conjunction with and is qualified by more detailed information appearing in this Draft Letter of Offer, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Our Business”, “Industry Overview”, “Restated Financial Statements”, “Outstanding Litigation and Defaults” and “Terms of the Issue” on pages 20, 36, 43, 45, 66, 54, 91 and 127 respectively of this Draft Letter of Offer.

### Summary of Business

Our Company is into Co-packing business and is specialized packaging company who are well equipped and trained to package the manufactured goods into their final selling form to the common public or wholesaler. A co-packer ensures that a manufacturer focuses on their core competencies of manufacturing the product, and are financially efficient by reducing costs on packaging, machineries, labor, and logistics, and can concentrate on selling their products in better form of packaging.

For further details, please refer to the chapter titled “Our Business” at page 66 of this Draft Letter of Offer.

### Objects of the Issue

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

S. No.	Particulars	Amount (₹ in Lakhs)
1.	Conversion of unsecured loans availed by our Company from the Promoters	1,976.01
2.	To augment the existing and incremental working capital requirement of our company	432.86
3.	General Corporate Purpose#	[●]
Net Proceeds of the Issue*		[●]

# Subject to the finalization of the basis of Allotment and the allotment of the Rights Equity Shares. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

\* Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

For further details, please see chapter titled “Objects of the Issue” beginning on page 45 of this Draft Letter of Offer.

### Our Promoters:

The Promoters of our Company: Pabbathi Badari Narayana Murthy, P S R Mahalakshmi prasanna and Dathvik Pabbathi\*

\* Company was acquired by abovementioned promoters through Share Purchase Agreement (SPA) dated July 14, 2022, and Letter of Offer dated September 08, 2022 in terms of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011.

### Intention and extent of participation by Promoter and Promoter Group

Our Promoters and Promoter Group vide their letter dated December 01<sup>st</sup>, 2023 (“Subscription Letter”), have indicated that they may, jointly and/or severally, shall subscribe in the Issue, to the full extent of their Rights Entitlements and have also confirmed that they shall not renounce their Rights Entitlements (except to the extent of renunciation by any of them in favour of any other Promoter or member of the Promoter Group). The acquisition of Rights Equity Shares by our Promoters and our Promoter Group, over and above its Rights Entitlements shall not result in a change of control of the management of our Company and shall be in compliance with the SEBI SAST 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 under the Applicable Law.

## Financial Summary

The following table depicts the summary of the financial information derived from the Financial Information of the Company for the preceding three financial years:

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

Particulars	Six months period ended 30 <sup>th</sup> September, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations	594.00	173.53	297.09	551.29
EBITDA	(29.35)	16.29	(20.29)	9.20
Profit after tax	(132.81)	11.68	5.63	6.83
Share Capital	207.09	207.09	207.09	207.09
Reserves and Surplus	(128.35)	4.46	(6.96)	(12.58)
Net Worth	78.74	211.55	200.13	194.51
Basic & Diluted Earnings per share	(6.41)	0.56	0.27	0.33
Net Asset Value per Equity Share (On actual No. of Shares)	3.80	10.21	9.66	9.39
Return on Net Worth (%)	(168.66)	5.52	2.81	3.51
Total Borrowings	4,152.95	3,227.18	-	-

## Summary of Outstanding Litigation

As on the date of this Draft Letter of Offer, there are no pending moral turpitude or criminal liability, violation of statutory regulations, tax proceedings and other material litigations involving our Company for further details, please see the chapter titled “*Outstanding Litigations and Defaults*” beginning on page 127 of this Draft Letter of Offer.

## Risk Factors

Please see the chapter titled “*Risk Factors*” beginning on page 20 of this Draft Letter of Offer. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue.

## Summary of Contingent Liabilities

Our Company does not have any Contingent Liabilities as on the date of this Draft Letter of Offer.

## Related Party Transactions

For details of the Related Party Transactions as per Accounting Standards entered into by our Company for the six months period ended 30<sup>th</sup> September, 2023 and for the financial year ended March 31, 2023, March 31, 2022, and March 31, 2021, see “*Restated Financial Statements*” on page 91 of this Draft Letter of Offer.

## Auditor Qualifications

There are no qualifications, reservations and adverse remarks made by our Statutory Auditors in their report which requires any adjustment to Financial Information of the Company for the financial year 2023, 2022 and 2021.

## 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 immediately preceding the date of this Offer.

## Split or consolidation of Equity Shares in the last one year

Our Company has not carried any split or consolidation of Equity Shares in last one year.

## SECTION II – RISK FACTORS

*An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this DLOF, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. Any of the following risks, as well as the other risks and uncertainties discussed in this DLOF, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment.*

*This DLOF also contains forward-looking statements that involve risks and uncertainties. We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those we are not aware of or deem immaterial, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the Issue, including the merits and risks involved. 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. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Investors should not invest in this Issue unless they are prepared to accept the risk of losing all or part of their investment, and they should consult their tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.*

*To obtain a better understanding of our business, you should read this section in conjunction with other chapters of this DLOF, including the chapters titled “Our Business”, Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Industry Overview” and “Financial Information” on page nos. 66, 121, 54 and 91 respectively of this DLOF, together with all other financial information contained in this DLOF. Our actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors, including the considerations described below and elsewhere in this DLOF.*

*In this section, unless the context otherwise requires, a reference to the “Company”, “we”, “us” or “our” is a reference to Arunjyoti Bio Ventures Limited. Unless otherwise stated, the financial data in this chapter is derived from our Restated Financial Statements for the six month period ended September 30, 2023, financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 as included in “Financial Information” on page no.91 of this DLOF.*

### **Internal Risks Related to Our Business**

***1. Our business depends on the strength of our brand and reputation. Failure to maintain and enhance our brand and reputation, and any negative publicity and allegations in the media against us, may adversely affect the level of trust in our services, which could result in a material adverse impact on our business, financial condition, results of operations and prospects.***

We consider our brand to be important for our business and we have been able to develop the value of our Arunjyoti brand over the years. Our business and results of operations are influenced by the strength and popularity of our brand, including the perception of our brand. Our brand and reputation are critical to our success. Our brand and reputation may be adversely impacted if the quality of products and services provided by us is not as per the best standard and is not in accordance with the specification and requirements of our customers.

Infringement of name, brand or trademark can have huge repercussion on the growth, viability and profitability of a brand. Our business is dependent on the trust our customers place on our brand, visibility and above all the quality of our products and services. Any negative publicity regarding us, our brand or our products or services could adversely affect our reputation and our results of operations. Our brand can be adversely affected by negative publicity or any claims concerning other businesses using the name “Arunjyoti” or similar trade names, whether or not they are part of the Promoter Group, and such usage can be very deceptive in nature and can have a negative impact on our brand. We cannot guarantee that a third party may not use such names and we may have no control over such usage (For details, see “Our Business” beginning on page 66.) We may face negative brand publicity and brand dilution to the extent we fail to develop, promote and position our brands effectively and consistently in the competitive market, with respect to products and services relating to the co packaging industry that we provide.

**2. Our Office building is not owned by us but is leased on a long-term basis. Any adverse impact on the title or ownership rights of the owner or breach of the terms or non- renewal of the lease agreement, may lead to disruptions and affect our business operations.**

Office building is leased on a non-perpetual basis for a term of 9 years subject to renewal. Any use of the leased building pursuant to the lease deeds will have to be in compliance with the terms and conditions contained in such lease deeds. The lessors may terminate the lease in the event of a breach of the terms of the lease deed, including delay in payment or non-payment of rent, usage of the property other than for the purposes for which it has been leased, or on the transfer, assignment or mortgage of the land thereon in breach of the terms of the lease deeds. There is no assurance that we will be able to renew these leases on commercially acceptable and favourable terms, or at all. We may not be able to effectively re-locate our operations and, even if we are able to re-locate, there is no assurance that we can resume the same level of operation or revenue contribution after such relocation.

Any non-renewal of such arrangements or the renewal of any such arrangements on unfavorable terms could lead to disruptions to our business and have a material adverse impact on our results of operations.

**3. Our business is totally concentrated on a single client revenue model. The loss of the client would have a material effect on our business operations and profitability.**

Our business is totally concentrated on a single client revenue model. For the financial year ended March 31, 2023 our only client accounted for 100% of our revenue from operations. The loss of the client would have a material effect on our financial results.

Our business from our client is dependent on our continuing relationship with them, the quality of our products and our ability to deliver on their orders, and there can be no assurance that they will continue to do business with us in the future on commercially acceptable terms or at all. However, in case of any change in the buying pattern of our end users or disassociation of them with us can adversely affect our business or if our customers do not continue to purchase products from us, or reduce the volume of products purchased from us, our business prospects, results of operations and financial condition may be adversely affected. Further, loss of or interruption of work by, solo client or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

While we are constantly striving to increase our customer base and reduce dependence on single client, there is no assurance that we will be able to broaden our customer base in any future periods or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.

**4. Our business depends on our Promoters and senior management and our ability to attract and retain key personnel. Any attrition rate of our senior management may affect our business growth.**

We believe that the experience of our Promoters and senior management has been critical to our success and business growth over the years with the immense experience and knowledge that they impart to our business. Their in-depth knowledge of the market and the experience in the industry we operate in have ensured our growth in the business. As a result, any loss of the services of any of our Promoters or senior management could materially and adversely affect our business, financial condition and results of operations. The replacement of senior management may not be straightforward or achievable in a timely manner as they have years of knowledge and experience in this business, and we may be required to wait indefinitely to fill positions until we find suitable candidates as we believe that the business we operate needs a specific knowledge and skill sets. Furthermore, attracting, hiring and retaining experienced and qualified senior management with years of experience in this business sector could require increasing compensation and benefits payable to such personnel, which could affect our operational costs and consequently, our financial condition and results of operations. Our inability to retain our senior management may have an adverse effect on our business growth.

**5. 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 co packaging business. As per the requirement, there are certain approvals which are granted for fixed period of time and need renewal from time to time and there are few which are a one-time grant of the license. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the timeframe anticipated by us or at all and there may be

delay in obtaining certain licenses for reasons which may be beyond our reasonable control. Any failure on our part to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business.

**6. *Our Promoter and certain of our directors may have interest in entities, which are engaged in lines of business similar to that of our Company. Any conflict of interest which may occur between our business and the activities undertaken by such entities could adversely affect our business and prospects.***

As on the date of this DLOF, Pabbathi Badari Narayana Murthy, P S R Mahalakshmi prasanna and Dathvik Pabbathi have interests in entities, which are engaged in lines of business similar to that of our Company. Considering the similar line of business, there is no assurance that our Promoter and Directors will not provide competitive services or otherwise compete in business lines in which we are already present or will enter into in the future. Such factors may have an adverse effect on the results of our operations and financial condition.

**7. *The agreements governing our borrowing contain conditions and restrictions on our operations, additional financing and capital structure.***

As of 30<sup>th</sup> September, 2023, our total outstanding debt, was ₹4152.94 Lakhs. We have entered into several borrowing facilities of varying terms and tenures. The financing agreements governing such facilities include conditions and restrictive covenants that require us to obtain consents, approvals, no-objections or waivers from lenders prior to carrying out specified activities or entering into certain transactions or events. It may also impose a duty on us to intimate them of certain transactions or events. Additionally, under such financing agreements, we are also required to comply with certain financial covenants, such as maintaining prescribed financial ratios at all times.

Undertaking any transactions or events which are restricted as provided hereinabove, without the consent of our lenders or non-compliance with any of the covenants of our financing agreements, constitute defaults under the relevant financing agreements and will entitle the respective lenders to declare a default against us and enforce remedies under the terms of the financing agreements as stated. This can include, among others, acceleration in repayment of the amounts outstanding under the financing agreements, enforcement of any security interest created under the financing agreements and taking possession of the assets given as security in respect of the financing agreements. Further, we cannot assure that we will be able to obtain approvals to undertake any of these activities as and when required or to comply with such covenants or other covenants in the future in a timely or guaranteed manner. A default by us under the terms of any financing agreement may also trigger a cross-default under some of our other financing agreements, or any other agreements or instruments of our containing cross-default provisions, which may individually or in aggregate, have an adverse effect on our operations, financial position and credit rating.

**8. *Our Company is dependent on third party transportation for the delivery of raw materials and finished goods and any disruption in their operations could affect our Company's reputation and results of operations.***

Our Company uses third party transportation for delivery of our raw materials and finished goods. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. These transportation facilities may not be adequate to support our existing and future operations. In addition, such goods may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and results of operation negatively. An increase in freight costs or unavailability of freight for transportation of our raw materials may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather related problems, strikes, lockouts, inadequacies in the road infrastructure or any other events that could impair the ability to procure raw materials or delivery of goods in time. Any such disruptions could materially and adversely affect our business, financial condition, and results of operations.

**9. *Our Company had negative cash flow during certain fiscal years; details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.***

We incurred negative cash flows from Operating, investing and financing activities in some of the years/periods during FY 2022-23

The following table sets forth our net cash generated is as follows. :-

(In ₹ lakhs)	
Particulars	FY 2022-23
Cash Flow from Operating Activities	(1306.67)
Cash Flow from Investing Activities	(1918.72)
Cash flow from Financing Activities	3227.18

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans, meet enhanced working capital requirements and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow, it may adversely affect our business and financial operations.

**10. Our Company has incurred losses in the past. We cannot assure that we will not face any losses in our business in the future.**

Co Packaging sector business is a very competitive sector of business, and the profitability of the business is driven by many factors such as type of services, quality of services, affordability and accessibility to clients. Our Company though have tried to fulfill all the factors to ensure a profitable and growing business have incurred losses in the past. The Company has incurred a loss of Rs. (132.80) Lakhs for the Half year ended 30<sup>th</sup> September, 2023 . Our Company though will always ensure to take all steps to run a profitable business, we cannot assure that we will not face any losses in our business in the future.

**11. We face intense competition from other co packaging service providers. If we are unable to compete effectively, our business, results of operations and cash flows may be materially and adversely affected.**

We operate in a competitive environment. We compete with other co packaging companies of varying sizes with different specialties. We compete based on factors such as our specialty and other service offerings, quality of products and packaging, affordability, technology, brand and reputation.

Our competitors may expand their business, which may exert further pricing and recruiting pressure on us. If we are unable to compete effectively with our competitors, our market share, business, financial condition, results of operations and cash flows could be materially and adversely affected.

**12. If we are unable to keep pace with technological changes, new equipment and service introductions, and evolving industry standards, our business and financial condition may be adversely affected.**

The co packaging industry is characterized by periodic technological changes, new equipment, innovation and methodologies. Our continued success depends on our ability to anticipate changing industry trends and identify, develop and market new value-added services to continually enhance our equipment and technologies in a timely and cost-effective manner.

Developing new methodologies, services, and tools in a timely and cost-effective manner may be difficult. Our assessment of the market and evolving customer preferences may not lead to new services that are commercially successful. We may also experience delays or failures in any stage of our service development, introduction or implementation. Our competitors may be more efficient at developing new services and may introduce those services to the market before us. The research, design and development of new services may also require significant resources, including financial and management time and attention. If we are unable to develop new services in a timely manner to meet market demand, or if there is insufficient demand for our services, our business, financial condition, results of operations and prospects may be materially and adversely affected. We may not be able to continually invest in, procure and integrate the latest equipment and technologies at commercially suitable terms and in a timely manner. We may experience short-term disruptions to our operations if our equipment is damaged or breaks down and till, we get a replacement for the same.

We may incur significant repair and maintenance costs and may experience disruptions in our operations in the event of any material malfunction or breakdown of our equipment in the future. In addition, we may not be able to respond to such failures or malfunctions in a timely manner or with acceptable cost, which could adversely impact our ability to provide timely and efficient service and damage our reputation.

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

Any failure or defect in our products could result in a claim against us for damages or may lead to recalling of our products regardless of our responsibility for such a failure or defect. Our finished product must undergo a strict quality check to ensure that they are of relevant quality as per the standards set and prescribed by our customers. Our in-house facility at our unit regulates and monitors the quality and ensures that the same is as per the required standards. Although we attempt to maintain quality standards, we cannot assure that all our products would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.

Also, our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our company, brand, or products, including those arising from a drop in quality of merchandise from our vendors, or any other unforeseen events could affect our reputation and our results from operations.

**14. *Our Company has availed unsecured loan from our Promoters, which is repayable on demand.***

The Company on various occasions borrowed money from the Promoters to meet urgent business requirements. These amounts are extended by the Promoter to the Company and are repayable on demand which, if demanded, will have an adverse effect on the cash flow of the Company. Failure of the Company to obtain fresh loans as required from them may result in the loss of lucrative business opportunities, as also to meet immediate payments due by the company which could adversely affect the operations of the Company and also impact its profitability and financial condition.

**15. *We rely on third party suppliers and manufacturers for our supplies and equipment. Failure of such third parties to meet their obligations could adversely affect our business, results of operations and cash flows.***

We source our equipment and raw material supplies from third party suppliers. Any failure to procure such equipment, raw materials on a timely basis, or at all, from such third parties and on commercially suitable terms could affect our ability to provide our services. There can be no assurance that we will be able to maintain our relationships with our major suppliers of raw materials. If the business relationship between our Company and our major suppliers were to deteriorate or if any of those suppliers were to terminate their business relationship with our Company or renegotiate our contracts on less favourable terms, our business, results of operations and prospects may be adversely affected.

**16. *Our continued operations are critical to our business and any shutdown of our manufacturing unit may adversely affect our business, results of operations and financial condition.***

Our manufacturing unit is located at (a) (Unit 1) – Kallem, Jangaon, Telangana. Our plant is spread across 4 Acres where we have a built-in plant of 60,000 Sq. ft which has 3 manufacturing lines and (b) (Unit 2) – Annadevarapeta, Kovvur, Andhra Pradesh: Our plant is spread across 3.2 Acres where we have a built in Plant of 60,000 Sq. ft which has 2 manufacturing lines. As a result, any local social unrest, natural disaster or breakdown of services and utilities in these areas could have material adverse effect on the business, financial position, and results of our operations. Our current and proposed manufacturing units are subject to operating risks, such as breakdown or failure of equipment, power supply or processes, reduction or stoppage of water supply, performance below expected levels of efficiency, obsolescence, natural disasters, industrial accidents, and the need to comply with the directives of relevant government authorities. In the event, we are forced to shut down our manufacturing unit for a prolonged period; it would adversely affect our earnings, our results of operations and financial condition.

In addition to the above if our manufacturing unit suffer losses because of any industrial accident, we may be forced to shut down our manufacturing unit which could result in us being unable to meet with our commitments, which will have an adverse effect on our business, results of operation and financial condition. Further, any contravention of or non-compliance with the terms of various regulatory approvals applicable to our manufacturing unit may also require us to cease or limit production until such noncompliance is remedied to the satisfaction of relevant regulatory authorities. We cannot assure you that we will not experience work disruptions in the future resulting from any dispute with our employees or other problems associated with our employees and the labor involved in our manufacturing unit, which may hinder our regular operating activities and lead to disruptions in our operations, which could adversely affect our business, prospects, financial condition, cash flows and results of operations.

**17. *The present production capacity installed at our manufacturing unit is not fully utilized.***

The installed capacity at our manufacturing unit for the purpose of production is not fully utilized. The underutilization of the available capacity can affect our capacity to fully absorb fixed cost and thus may impact our manufacturing efficiency and may not be able to achieve the output as per the demand. The underutilization of installed capacity in future may affect profitability due to increase in per unit fixed cost of production. For further details of installed capacity and utilization, please refer to chapter titled “*Our Business*” beginning on page 66 of this DLOF

**18. *Any delay or defaults in receipt of payments or dues from our customers could result in a reduction of our profits***

We regularly commit resources prior to receiving payments from our customer. Though we never had any instance of delay in payment from our customer, we may be subject to working capital shortages due to possible delays or defaults in receipt of payments or dues from our customer in the future. If our customers default in their payments or if any order/ assignment in which we have invested significant resources is delayed, cancelled, or curtailed, it could have a material adverse effect on our business, financial condition, and results of operations.

**19. *Our business is dependent on the Indian economy. Any adverse development or slowdown in Indian economy may have an adverse impact on our business, results of operations and financial condition.***

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by central or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. There have been periods of slowdown in the economic growth of India. India’s economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports , global economic uncertainty and liquidity crisis, volatility in currency exchange rates. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our machinery and raw materials needed for our business, and as a result, on our business and financial results.

**20. *Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.***

Innovation and upgrading the technology is imperative in co packaging business. We need to be up to date with all modern techniques and trends. Modernization and technology upgradation is essential to provide better products. Although we strive to keep our technology in line with the latest standards, there may be delay in upgrading our technology and the current technology may be considered obsolete and old or we may be required to implement new technology or upgrade the existing employed by us. Further, the costs in upgrading our technology could be significant which could substantially affect our finances and operations.

**21. *The Objects of the Issuer have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which may be beyond our control. Any variation in the utilization of the Net Proceeds or in the terms of the conditions as disclosed in this DLOF would be subject to certain compliance requirements, including prior shareholders’ approval.***

We propose to utilise the Net Proceeds for repayment of loan, working capital and general corporate purposes. For details, see “*Objects of the Issue*” on page 45. The deployment of the Net Proceeds would be based on management estimates, prevailing circumstances of our business & market conditions. The Objects of the Issue have not been appraised by any bank or financial institution. Accordingly, at this stage, we cannot determine with any certainty if we will require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds or in the terms of any contract as disclosed in the DLOF without obtaining the Shareholders’ approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds and any delay or inability in obtaining such Shareholders’ approval may adversely affect our business or operations.

Our Company may have to revise its management estimates from time to time on account of various factors, including factors beyond its control such as market conditions, competition, cost of commodities and interest, and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section, may limit or delay our Company’s efforts to use the Net Proceeds to achieve profitable growth in its business. The planned use of the Net Proceeds is based on current conditions and is subject to changes in external circumstances, costs, other

financial conditions, or business strategies. Any variation in the planned use of the Net Proceeds would require Shareholders' approval and our Promoters will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects and may involve considerable time or cost overrun and any such eventuality may adversely affect our operations or business.

***22. We may fail to protect our intellectual property rights and may be exposed to misappropriation and infringement claims by third parties, either of which may have a material adverse effect on our business and reputation.***

Our Company has made an application for registration for Trademark for word ABVL .Our failure to protect our intellectual property rights in the future may also undermine our brand and result in harm to the growth of our business. If any of our confidential or proprietary information, were to be disclosed or misappropriated, or if a competitor independently developed any such information, our competitive position could be harmed.

Any adverse experience of any customer with those parties using similar trade names, as well as any consequent negative publicity or perceptions perceived to be associated with us, may adversely affect our reputation and brand and business prospects. Furthermore, we cannot be certain that our suppliers, from whom we purchase raw materials, have all requisite third-party consents and licenses for the intellectual property and the same may expose us to risks associated with intellectual property infringement and misappropriation claims by third parties. For details, see "Our Business" on page 79.

***23. We have significant working capital requirements and may require additional capital and financing in the future. Our ability to access capital at attractive costs also depends on our credit ratings. Our operations could be curtailed if we are unable to obtain required additional capital and financing when needed.***

Our business requires a substantial amount of working capital, primarily to operate our manufacturing units, including the purchase of various raw materials. Moreover, we may need working capital for the expansion of our business at regular intervals due to our business requirements and growing customer demands. We may need to raise additional working capital from time to time, depending on business requirements. Some of the factors that may require us to raise additional working capital include (i) business growth; (ii) unforeseen events beyond our control and (iii) significant depletion in our existing capital base due to unusual operating losses.

While we do not anticipate seeking additional financing in the immediate future as a part of our plan post the rights issue any additional equity financing may result in dilution to the holders of the Equity Shares. Further, additional debt financing may impose affirmative and negative covenants that restrict our freedom to operate our business, including covenants such as:

- limit our ability to pay dividends or require us to seek prior consent for the payment of dividends;
- require us to dedicate a portion of our cash flow from operations to payments on our debt;
- limit our flexibility in planning for a growth and change in business;
- limit us from formulating any scheme of amalgamation or reconstruction, merger or demerger or any sort of change in control event;
- limit us from entering into borrowing arrangements with other banks or financial institutions; and
- limit our flexibility in raising capital in the form of debt or equity

There can be no assurance that we will be able to secure adequate financing in the future on commercially acceptable terms, or at all, including in the event our lenders call in loans repayable on demand or if there is a change in applicable regulations. Our inability to maintain sufficient cash flow, obtain or maintain credit facilities and other sources of funding, in a timely manner, or at all, to meet our working capital requirements or to meet out financial obligations, could adversely affect our financial condition and results of operations. For details on our working capital facilities, see "Objects of the Issue" on page 45.

***24. We may be subject to fraud, theft, employee negligence or similar incidents.***

Our operations may be subject to incidents of theft or damage of our machinery, products and raw materials. We have set up various state of the art security measures at every possible place in all our manufacturing unit, there can be no assurance that we will not experience fraud, theft, employee negligence, security lapse in the future, which could adversely affect the results of operations and financial condition.

Additionally, in case of losses due to theft, fire, breakage or damage that may be caused by other casualties, flood, earthquake or any other natural calamities, there can be no assurance that we will be able to recover from our insurers

the full or adequate amount of any such loss that we may suffer in a timely manner. If we incur a significant inventory loss due to third-party or employee theft and if such loss exceeds the limits of, or is subject to an exclusion from, coverage under our insurance policies, it could have an adverse effect on our business, results of operations and financial condition.

**25. *Accidents at our manufacturing facility may adversely affect our operation and profitability.***

Our manufacturing facilities are subject to operating risk resulting in fatal accidents, which can cause injury to the labour and employees of the Company, and this could also cause damage to the property and plant and machinery situated at our manufacturing unit, which could have an adverse effect on our operations. Though, we have taken adequate safety measures in order to avoid such mishaps, but in case of any such happening of the event out of our control, we cannot assure you whether it will be sufficient or not. Further occurrence of such accidents could impact our production schedules, costs, revenue and ability to meet customer demand and in turn will affect our operation and profitability.

**26. *Certain of our ROC compliances and filings are untraceable. Any failure with any specific compliances regarding the period that is untraceable may lead to regulatory actions and penalties and our business, financial condition and reputation may be adversely affected.***

Certain of our ROC compliances and filings are untraceable. Though, we have taken all steps to ensure that we are compliant at all times, we cannot assure that all filings for such period where the documents are untraceable was carried out diligently. In case of any filings not been duly made or we being not compliant regarding our filings for such period may subject us to regulatory actions and/or penalties which may adversely affect our business, financial condition and reputation.

There can be no assurance that any future non-compliances will not result in the application of any penalties or arise again, or that we will be able to rectify or mitigate any such non-compliances, in a timely manner or at all.

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

We have in the course of our business entered into, and will continue to enter into, several transactions with our related parties, which include loans, lease advances and guarantees given by our Company. For details, see “*Financial Information - Related Party Transactions*” on page 91. We cannot assure you that we will receive similar terms in our related party transactions in the future. While we believe that all such related party transactions that we have entered into are legitimate business transactions conducted on an arms’ length basis, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Any further transactions with our related parties could involve conflicts of interest. Further, we cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on business and financial results, including because of potential conflicts of interest or otherwise.

The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework *including* specific compliance requirements such as obtaining prior approval from the audit committee, board of directors and shareholders for certain related party transactions. All the related party transactions of our Company shall be conducted in compliance with the applicable accounting standards, provisions of Companies Act, 2013, as amended, provisions under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and other applicable laws as applicable. However, we cannot assure you that in the future, related party transactions, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations and cash flows, including as a result of potential conflicts of interest or otherwise. For more information regarding our related party transactions, see “*Financial Information – Related Party Transactions*” on page 91.

**28. *Our insurance may be insufficient to cover all losses associated with our business operations.***

Our existing insurance may not be sufficient to cover all damages, whether foreseeable or not. It is imperative in our business that adequate insurance coverage is taken. As at September 30, 2023, we have insurance coverage for ₹5905 Lakhs. Notwithstanding the complete insurance coverage that we carry, there may be a possibility that we may not be fully insured against certain business risks and to the extent required. There are many events that could significantly impact our operations, or expose us to third-party liabilities, for which we may not be adequately insured. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part, or on time. For details of our insurances, see “*Our Business- Insurance*” on page 79.

**29. *We may be subject to labour unrest and slowdowns.***

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal, and legislation that imposes certain financial obligations on employers upon retrenchment. Our employees are not unionised. However, in the event that employees seek to unionise, it may become difficult for us to maintain flexible labour policies, which may increase our costs and adversely affect our business. We believe our employees and personnel, are critical to maintain our competitive position. Although we have not experienced any material labour unrest, we cannot assure you that we will not experience disruptions in work or our retail operations due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any labour unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. These actions are very difficult for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

**30. *Our facilities are susceptible to risks arising on account of fire and other incidents.***

Our business and operations are subject to risks associated with fires, power failures, telecommunications failure and other events due to the nature of the business. Furthermore, any short circuit of power supply for our equipment and machines including air conditioning plants, power supplies, could result in accidents and fires that could result in injury or death to our employees, and in turn affect perceptions about safety at our unit, our goodwill, reputation and lead to loss of business and brand value of our business. While we have obtained adequate insurance coverage against fire for our units,, in the event of such an incident, we cannot assure you that our insurance coverage will be sufficient to cover all damages and losses we become liable for. For further details of insurance coverage obtained by our Company, please see “Our Business – Insurance” on page 79.

**31. *Shortage or non-availability of electricity and water could affect our operations and have an adverse effect on our business, results of operations and financial condition***

Our business operations are heavily dependent on continuous supply of electricity and water, which are critical to our operation. While our power requirements are met through local state power grid. However, we cannot assure you that these will be sufficient and, or, that we will not face a shortage of electricity despite these arrangements. Further, any shortage or non-availability of water or electricity could result in temporary shut-down of a part, or all, of our operations at the location experiencing such shortage. Such shut-downs could, particularly if they are for prolonged periods, have an adverse effect on our business, results of operations and financial condition.

**32. *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” of this DLOF. We have made disclosures in the said chapter on the basis of the relevant industry related data available online for which relevant consents have not been obtained. We have not independently verified such data. Further, the industry data mentioned in this DLOF 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 DLOF in this context.

**33. *Our Promoters and certain of our Directors hold Equity Shares in our Company and are therefore interested in our Company's performance***

Certain of our Directors (including our individual Promoters) hold equity interests in our Company, in addition to regular remuneration or benefits and reimbursement of expenses. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoters may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders.

**34. *We cannot assure payment of dividends on the Equity Shares in the future.***

Our ability to pay dividends in the future will depend upon our dividend policy, future results of operations, financial condition, cash flows, working capital requirements and capital expenditure requirements and other factors considered relevant by our directors and shareholders. Our ability to pay dividends may also be restricted under certain financing arrangements that we may enter into. We may also decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. We cannot assure you that we will be able to pay dividends on the Equity Shares at any point in the future.

**External Risks**

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

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

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

Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

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

**36. *Changing laws, rules and regulations and legal uncertainties, including tax laws and regulations, may adversely affect our business and financial performance.***

The governmental and regulatory bodies in India and other jurisdictions where we operate may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition, results of operations and cash flows.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws and/or may require us to apply for additional approvals.

Tax and other levies imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, turnover tax, goods and services tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. We are involved in various disputes with tax authorities. For details of these disputes, see “Outstanding Litigation and Defaults” on page 127. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time.

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Ordinance, 2019, a new tax ordinance issued by India’s Ministry of Finance on September 20, 2019, prescribes a

number of changes to the income tax rate applicable to companies in India. According to this new ordinance, companies can henceforth voluntarily opt for a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the effective tax rate for Indian companies from 34.94% to approximately 25.17%. We have opted for the concessional tax regime and continue to be subject to other benefits and exemptions. Any such future amendments may affect our other benefits such as an exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would influence our profitability.

The Finance Act, 2022 ("Finance Act"), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax ("DDT"), will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non- resident and are likely to be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. Further, the Government of India has notified the Finance Act, 2023, which has introduced various amendments to taxation laws in India. There is no certainty on the impact that the Finance Act may have on our business and operations or on the industry in which we operate. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

**37. *A downgrade in ratings of India, may affect the trading price of the Equity Shares.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating increased BBB- with a "negative" outlook to BBB- with a "stable" outlook by Fitch on June 10, 2022, from Baa3 with a "negative" outlook to Baa3 with a "stable" outlook by Moody's on October 05, 2021 and from BBB with a "negative" outlook to BBB (low) with a "stable" outlook by DBRS on May 19, 2021. India's sovereign ratings from S&P is BBB- with a "stable" outlook. Any further 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 financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of the Equity Shares.

**38. *Changes or a downturn in economic conditions, in particular in our principal markets, may affect consumer spending, including on our products.***

Our revenues and results of operations are impacted by global economic conditions at regular interval, as well as the specific economic conditions of the market. Such conditions include levels of employment, cost, revenue, inflation or deflation, real disposable income, interest rates, taxation, currency exchange rates, stock market performance, supply and demand chain, value of raw materials, the availability of consumer credit, levels of consumer debt, consumer confidence, consumer perception of economic conditions and consumer willingness to spend, all of which are beyond our control at all times. An economic downturn or an otherwise uncertain economic outlook in our principal markets, in any other markets in which, we may operate in the future, or on a global scale could adversely affect our consumer spending habits and traffic, which could have a material adverse effect on our business, results of operations and financial condition.

**39. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI or in the alternate, the pricing is in compliance with the extant provisions of the SEBI Regulations. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the 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 that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority.

We cannot assure investors that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

In terms of Press Note 3 of 2020, dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade (“DPIIT”), the foreign direct investment policy has been recently amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the GoI. Further, in the event of a transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the GoI. Furthermore, on April 22, 2020, the Ministry of Finance, GoI has also made a similar amendment to the FEMA Rules. While the term “beneficial owner” is defined under the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and the General Financial Rules, 2017, neither the foreign direct investment policy nor the FEMA Rules provide a definition of the term “beneficial owner”. The interpretation of “beneficial owner” and enforcement of this regulatory change involves certain uncertainties, which may have an adverse effect on our ability to raise foreign capital. Further, there is uncertainty regarding the timeline within which the said approval from the GoI may be obtained, if at all.

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

Under the current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax (“STT”) is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and the STT is collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months, which are sold using any other platform other than on a recognized stock exchange and on which no STT has been paid, are subject to long term capital gains tax in India. Such long term capital gains exceeding ₹ 100,000 arising from the sale of listed equity shares on the stock exchange are subject to tax at the rate of 10% (plus applicable surcharge and cess). Unrealized capital gains earned on listed equity shares up to January 31, 2018 continue to be tax-exempted in such cases. Further, STT will be levied and collected by an Indian stock exchange if the equity shares are sold on a stock exchange. With respect to capital gains arising in an off market sale, long term capital gains are subject to tax at the rate of 10% (plus applicable surcharge and cess) without the exemption of ₹ 100,000. Short-term capital gains, arising from the sale of such equity shares on a stock exchange would be subject to tax at the rate of 15% (plus applicable surcharge and cess), while short term capital gains arising in an off-market sale would be subject to tax at a higher rate of 40% (plus applicable surcharge and cess) in the case of foreign companies and 30% (plus applicable surcharge and cess) in the case of other non-resident taxpayers.

The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020. It 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. As such, there is no certainty on the impact that the Finance Act, 2019 may have on our Company’s business and operations.

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. In cases where the seller is a non-resident, capital gains arising from the sale of the equity shares will be partially or wholly exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Additionally, the Finance Act, 2020 does not require dividend distribution tax to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. Historically, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the equity shares.

**41. *Political changes could adversely affect economic conditions in India.***

Our Company is incorporated in India and derives the majority of its revenue from operations in India and the majority of its assets are located in India. Consequently, our performance and the market price of the Equity Shares may be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- epidemic, pandemic or any other public health in India or in countries in the region or globally, including in India's various neighbouring countries;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- other significant regulatory or economic developments in or affecting India or its consumption sector;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- logistical and communications challenges;
- downgrading of India's sovereign debt rating by rating agencies;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms or on a timely basis; and
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

#### **42. *Financial instability in other countries may cause increased volatility in Indian financial markets.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

Furthermore, economic developments globally can have a significant impact on our principal markets of India and the Middle East. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Following the United Kingdom's exit from the European Union ("Brexit"), there remains significant uncertainty around the terms of their future relationship with the European Union and, more generally, as to the impact of Brexit on the general economic conditions in the United Kingdom and the European Union and any consequential impact on global financial markets. For example, Brexit could give rise to increased volatility in foreign exchange rate movements and the value of equity and debt investments.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. The sovereign rating downgrades for Brazil and Russia (and the imposition of sanctions on Russia) have also added to the growth risks for these markets. These factors may also result in a slowdown in India's export growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global

financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation.

These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

**43. *If inflation rises in India, increased costs may result in a decline in profits.***

Inflation rates in India have been volatile in recent years, and such volatility may continue. Increasing inflation in India could cause a rise in the costs of rent, wages, raw materials and other expenses. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows.

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

Our restated financial information for the six months period ended 30th September, 2023 and for the Fiscal Year 2023, Fiscal Year 2022 and Fiscal Year 2021 included in this DLOF are presented in conformity with Ind AS, in each case restated in accordance with the requirements of Section 26 of part I of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2019)" issued by the ICAI. Ind AS differs from accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which the Restated Financial Information included in this DLOF will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS. Persons not familiar with Ind AS should limit their reliance on the financial disclosures presented in this DLOF.

**45. *Our business and activities may be regulated by the Competition Act, 2002 and proceedings may be enforced against us.***

The Competition Act, 2002, or the Competition Act seeks to prevent business practices that have a material adverse effect on competition in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause a material adverse effect on competition in India is void and attracts substantial monetary penalties. Any agreement that directly or indirectly determines purchase or sale prices, limits or controls production, shares the market by way of geographical area, market or number of customers in the market is presumed to have a material adverse effect on competition in the relevant market in India and shall be void.

The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the GoI notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India, or CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among other things, prohibit all agreements and transactions, which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. However, the effect of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial condition, results of operations and prospects.

## **Risks Related to the Offer**

### ***46. After the Offer, the price of the Equity Shares may become highly volatile, or an active trading market for the Equity Shares may not develop.***

The price of the Equity Shares may fluctuate after the Offer as a result of several factors, including: volatility in the Indian and global securities market; our operations and performance; performance of our competitors; adverse media reports about us or the industry we operate in generally; changes in the estimates of our performance or recommendations by financial analysts; significant developments in India's economic liberalization and deregulation policies; and significant developments in India's fiscal regulations. There has been no public market for the Equity Shares of our Company and the price of the Equity Shares may fluctuate after the Offer.

If the stock price of the Equity Shares fluctuates after the Offer, investors could lose a significant part of their investment. As of the date of this DLOF, there is no market for the Equity Shares. Following the Offer, the Equity Shares are expected to trade on the Stock Exchanges. There can be no assurance that active trading in the Equity Shares will develop after the Offer or, if such trading develops, that it will continue. Investors might not be able to sell the Equity Shares rapidly at the quoted price if there is no active trading in the Equity Shares.

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

The initial public offering price will be determined by the Book Building Process and may not be indicative of prices that will prevail in the open market following the Offer. The market price of the Equity Shares may be influenced by many factors, some of which are beyond our control, including:

the failure of security analysts to cover the Equity Shares after this Offer, or changes in the estimates of our performance by analysts;

- the activities of competitors and suppliers;
- future sales of the Equity Shares by our Company or our shareholders;
- investor perception of us and the industry in which we operate;
- our quarterly or annual earnings or those of our competitors;
- developments affecting fiscal, industrial or environmental regulations;
- the public's reaction to our press releases and adverse media reports; and
- general economic conditions.

As a result of these factors, investors may not be able to resell their Equity Shares at or above the initial public offering price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. There can be no assurance that the investor will be able to resell their Equity Shares at or above the Offer Price.

### ***48. Investors may have difficulty enforcing foreign judgments against our Company or our management.***

Our Company is a limited liability company incorporated under the laws of India. The majority of our directors and executive officers are residents of India. A substantial portion of our Company's assets and the assets of our Directors and executive officers' resident in India are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons outside India or to enforce judgments obtained against our Company or such parties outside India.

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

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the GoI has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties. Some jurisdictions including the United Kingdom, UAE, Singapore and Hong Kong have been declared by the GoI to be reciprocating countries for the purposes of Section 44A of the CPC.

The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. Further, there may be considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action was brought in India.

Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered.

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

Under the Companies Act, 2013 a company incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new Equity Shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the Equity Shares who have voted on such resolution. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in us would be reduced.

## SECTION III – INTRODUCTION

### THE ISSUE

This Issue has been authorised through a resolution passed by our Board at its meetings held on June 17, 2023 October 31, 2023 and November 18, 2023 and by the shareholders of the Company in the EGMs held on July 17, 2023 and November 27, 2023 respectively, pursuant to Section 62(1)(a) of the Companies Act.

The terms and conditions of the Issue including the rights entitlement ratio, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by the Board of Directors at its meeting held on June 17, 2023. 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 136 of this Draft Letter of Offer.

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 136 of this Draft Letter of Offer.

Particulars	Details of Equity Shares
<b>Equity Shares proposed to be issued</b>	Upto 1,65,67,200 Equity Shares
<b>Rights Entitlement</b>	Upto 8 Equity Share(s) for every 1 fully paid-up Equity Share held on the Record Date
<b>Fractional Entitlement</b>	For Rights Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholder as per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. In terms of present ratio, there will be no fractional shares.
<b>Record Date</b>	[●]
<b>Face value per Equity Shares</b>	₹ 10 /-
<b>Issue Price per Rights Equity Shares</b>	₹ 20 /-
<b>Issue Size</b>	Upto 1,65,67,200 Equity Shares of face value of ₹ 10 each for cash at premium value of ₹ 20 per share (Including a premium of ₹ 10/- per share) each aggregating to an amount of ₹ 3313.44 lakhs.
<b>Voting Rights and Dividend</b>	The Equity Shares issued pursuant to this Issue shall rank <i>pari passu</i> in all respects with the Equity Shares of our Company.
<b>Equity Shares issued, subscribed and paid up prior to the Issue</b>	20,70,900 Equity Shares
<b>Equity Shares subscribed and paid-up after the Issue (assuming full subscription for and allotment of the Rights Entitlement)</b>	Upto 1,86,38,100 Equity Shares
<b>Money payable at the time of Application</b>	₹ 20 /-
<b>Scrip Details</b>	<b>ISIN:</b> INE485K01014 <b>Rights Entitlement ISIN:</b> [●] <b>BSE:</b> 530881
<b>Use of Issue Proceeds</b>	For details, please refer to the chapter titled “ <i>Objects of the Issue</i> ” on page 45 of this Draft Letter of Offer.
<b>Terms of the Issue</b>	For details, please refer to the chapter titled “ <i>Terms of the Issue</i> ” on page 136 of this Draft Letter of Offer.

Please refer to the chapter titled “*Terms of the Issue*” on page 136 of this Draft Letter of Offer.

## 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
Last Date for credit of Rights Entitlements	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights**	[●]
Issue Closing Date*	[●]
Finalization of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of credit (on or about)	[●]
Date of final listing/ trading (on or about)	[●]

*\*The Board of Directors or a duly authorized committee thereof 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.*

*\*\* 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*

## GENERAL INFORMATION

Our Company was incorporated as Century 21st Portfolio Limited (“Company”) as a public limited company under the Companies Act, 1956 vide Certificate of Incorporation dated February 27, 1986 with Registrar of Companies (“RoC”) Delhi & Haryana, New Delhi bearing registration number 23476 of 1985-86 and received a Certificate for Commencement of Business on March 17, 1986 by RoC Delhi & Haryana. Thereafter, our Company’s place of Registered Office was changed from Delhi to Andhra Pradesh on December 13, 2008 which was certified by RoC Andhra Pradesh on January 15, 2009 and was shifted to 8-2-682/3/A&B, Suite No.404, Mayfair Gardens, Road No.12, Banjara Hills, Hyderabad, Andhra Pradesh-500034”. Subsequently, the name of the Company was changed from ‘Century 21st Portfolio Limited to ‘Arunjyoti Bio Ventures Limited ‘vide certificate dated January 12, 2015, issued by Registrar of Companies, Hyderabad, Telangana upon grant of fresh Certificate bearing Corporate Identification Number ‘L01400TG1986PLC062463’. The registered office of the Company was changed from 8-2-682/3/A&B, Suite No.404, Mayfair Gardens, Road No.12, Banjara Hills, Hyderabad, Andhra Pradesh-500034 to Plot No. 45, P & T Colony, Karkhana, Secunderabad-500009, Telangana, India with effect from May 26, 2014. Subsequently, the registered office of our Company was changed to Door No.1-98/1/JSIC/6F/604-B6th Floor, Jain Sadhguru Capital Park, Beside Image Gardens, Madhapur, Shaikpet Hyderabad – 500081 Telangana, India – with effect from March 21, 2023.

Thereafter, Company’s promoters M. Praveen Kumar and Mittapalli Ramarao and Non-Promoter seller Pabbathi Venkata Ravi Kumar entered into a Share Purchase Agreement on July 14, 2022 with Pabbathi Badari Narayana Murthy, P S R Mahalakshmi prasanna and Dathvik Pabbathi (Acquirers), to sell their entire stake of Arunjyoti Bio Ventures Limited (“the Company”).

Subsequently, an Open Offer was made by the Acquirers to acquire upto 26% of the total Voting Shares of the Company from public shareholders vide Letter of Offer dated September 08, 2022. Pursuant to the completion of the said open offer, and the Share Purchase Agreement, the Company was acquired by Pabbathi Badari Narayana Murthy, P S R Mahalakshmi prasanna and Dathvik Pabbathi (Acquirers) and they took over as Promoters and Promoter Group of the Company.

<b>Company Identification Number</b>	L01400TG1986PLC062463
<b>Address of Registered Office of Company</b>	<b>Arunjyoti Bio Ventures Limited</b> Door No.1-98/1/JSIC/6F/604-B6th Floor, Jain Sadhguru Capital Park, Beside Image Gardens, Madhapur, Shaikpet, Hyderabad – 500081 Telangana, India <b>Telephone:</b> + 91 40-66684220 <b>E-mail:</b> <a href="mailto:cenport@gmail.com">cenport@gmail.com</a> ; <b>Website:</b> <a href="https://www.abvl.co.in/">https://www.abvl.co.in/</a> <b>Registration Number:</b> 062463
<b>Address of Registrar of Companies</b>	<b>Registrar of Companies, Hyderabad, Telangana.</b> 2nd Floor, Corporate Bhawan, GSI Post, Tattiannaram, Bandlaguda, Nagole, Hyderabad, Telangana. <b>Telephone:</b> +91 40-29805427 <b>Facsimile:</b> +91 40-29803727 <b>E-mail:</b> <a href="mailto:roc.hyderabad@mca.gov.in">roc.hyderabad@mca.gov.in</a>
<b>Designated Stock Exchange</b>	BSE Limited

### Our Board of Directors

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

<b>Name of the Director</b>	<b>Age (Yrs)</b>	<b>Designation</b>	<b>Address</b>	<b>DIN</b>
Pabbathi Badari Narayana Murthy	51	Whole-Time Director	Flat No 6B-500, Lodha Bellezza, KPHB Colony, 4 <sup>th</sup> Phase, Kukatpally, KPHB Colony, Medchal- Malkajgiri, Telangana-500072	01445523
Dathvik Pabbathi	24	Whole-Time Director	Flat no. 6B-500, Lodha Bellezza, KPHB Colony, 4th Phase, Kukatpally KPHB Colony, Medchal- Malkajgiri, Telangana-500072	09629913
Nadimpalli Vishal	41	Whole-Time Director and	Flat No-506, Pegasus B Wing, Meenakshi Sky Lounge, Hitex Road, Khanamet,	02745303

		<b>CFO</b>	Kothaguda, K.V. Rangareddy, Telangana-500084	
Vijaya Rama Lakshmana Murthy Mylavarapu	63	Independent Director	401 Maheshwari Residency, RK Housing Colony, A S Rao Nagar, Secunderabad, Ecil, Hyderabad, Telangana-500062 India	07788466
Guntaka Dhanalakshmi	45	Independent Director	15-1-596, Nehru Nagar, Lane-2, Macherla, Guntur, Andhra Pradesh-522426	09363100
Ranga Srikar	38	Independent Director	6-255, Shabu Nagar, Miryalaguda, Sanjay Nagar, Nalginda, Telangana -508207 India	02965183

For detailed profile of our Directors, please refer to the chapter titled “*Our Management and Organisational Structure*” on page 81 of this Draft Letter of Offer.

#### Company Secretary and Compliance Officer

Swati Jain, Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder:-

**Address:** Door No.1-98/1/JSIC/6F/604-B6th Floor, Jain Sadhguru Capital Park, Beside Image Gardens, Madhapur, Shaikpet, Hyderabad – 500081 Telangana, India

**Telephone:** +91 40 - 66684220

**E-mail:** [cenport@gmail.com](mailto:cenport@gmail.com)

#### Chief Financial Officer

Nadimpalli Vishal, is the Chief Financial Officer of our Company.

His contact details are set forth hereunder:

**Address:** Door No.1-98/1/JSIC/6F/604-B6th Floor, Jain Sadhguru Capital Park, Beside Image Gardens, Madhapur, Shaikpet, Hyderabad – 500081 Telangana, India .

**Telephone:** +91 40 - 66684220

**E-mail:** [cenport@gmail.com](mailto:cenport@gmail.com)

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

<b>Lead Manager to the Issue</b>	<b>Registrar to the Issue</b>
<b>Bajaj Capital Limited</b> Mezzanine Floor, Bajaj House, 97, Nehru Place, New Delhi -110019, India <b>Tel No:</b> +91 11 - 41693000; +91 11- 67000000 <b>Contact Person:</b> P. Balraj <b>Email:</b> <a href="mailto:info@bajajcapital.com">info@bajajcapital.com</a> <b>Website:</b> <a href="http://www.bajajcapital.com">www.bajajcapital.com</a> <b>SEBI Registration Number:</b> INM000010544	<b>Venture Capital and Corporate Investments Private. Limited</b> AURUM 5th Floors, Plot No. 57, Jayabheri Enclave, Phase II, Gachibowli, Hyderabad, Seri Lingampally, Telangana, India, 500032 <b>Telephone:</b> +91 40 - 23818475/76 <b>E-mail:</b> <a href="mailto:pvsrinivas@vccipl.com">pvsrinivas@vccipl.com</a> <b>SEBI Registration Number:</b> INR000001203 <b>Website:</b> <a href="https://www.vccipl.com/">https://www.vccipl.com/</a> <b>Contact Person:</b> P V Srinivasa Rao <b>Validity of Registration:</b> Permanent
<b>Banker to the Company</b>	<b>Legal Adviser to the Issue</b>
<b>Axis Bank Limited</b> H. No 10-1-49, Sy No 63, Boosa Reddy Guda, West Marredpally, Secunderabad-500026, Telangana <b>Tel No:</b> +91 9848066862 <b>Contact Person:</b> A Madhu Sudan <b>Email:</b> <a href="mailto:A.Madhusudhan@axisbank.com">A.Madhusudhan@axisbank.com</a> <b>Website:</b> <a href="http://www.Axisbank.com">www.Axisbank.com</a>	<b>ALMT Legal</b> 2, Lavelle Road Bangalore 560 001 <b>Tel:</b> +(91) 80 4016 0000
<b>Statutory &amp; Peer Review Auditor of the Company</b>	<b>Banker to the Issue</b>
<b>M/s. V. Ravi &amp; Co. Chartered Accountants</b> H.No. 1-74/DH/304, Diamond Hills, Gachibowli,	[•]

Hyderabad - 500032, Telangana <b>Tel No:</b> +91 96521 08456 <b>Email:</b> rkdannapuneni@gmail.com <b>Contact Person:</b> Ramesh Kumar D <b>Membership No.:</b> 217139 <b>Firm Registration No.:</b> 006492S <b>Peer Review Certificate No.:</b> 013611	
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## 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

Bajaj Capital Limited being the sole Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence a statement of inter se allocation of responsibilities is not required.

### Expert Opinion

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

Our Company has received written consent dated January 11, 2024 from the Statutory Auditors, V. Ravi & Co. Chartered Accountants, to include his 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) examination report dated January 02, 2024 on our Restated Financial Statement for the financial for the six months period ended 30th September, 2023 and for the financial years ended March 31, 2023, March 31, 2022, March 31, 2021; and (ii) the statement of tax benefits dated November 27, 2023 included in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer.

### 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.

### Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link

### 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:

Events	Indicative Date
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 authorized 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.

The above schedule is indicative and does not constitute any obligation on our Company or the Lead Manager.

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, i.e., [●].

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company, the Lead Manager or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. For details on submitting Common Application Forms, see chapter titled “Terms of the Issue” beginning on page 136 of this Draft letter of Offer.

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 get lapsed 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.

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 at <https://www.vccipl.com> after keying in their respective details along with either security control measures implemented there at. For further details, see chapter titled “Terms of the Issue” beginning on page 136 of this Draft Letter of Offer.

### **Credit Rating**

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

### **Debenture Trustees**

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

### **Appraising Agency**

None of the purposes for which the Net Proceeds are proposed to be utilized have been appraised by any bank or financial institution.

### **Monitoring Agency**

Since the Issue size does not exceed ₹10,000 lakhs, there is no requirement to appoint a monitoring agency in relation to the Issue under SEBI ICDR Regulations.

**Underwriting**

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

**Minimum Subscription**

As the object of the Issue does not involve financing of capital expenditure, and as our Promoters and Promoter Group, through their letter dated December 01<sup>st</sup>, 2023 has confirmed their intention to subscribe to the full extent of their aggregate Rights Entitlements in the Issue and not to renounce their Rights Entitlements except to the extent of renunciation within the Promoters and Promoter Group. Accordingly, the minimum subscription criteria mentioned under the SEBI ICDR Regulations will not be applicable to the Issue. Further, , the Promoters and members of Promoter group have given their intention to subscribe to additional Rights Equity Shares, over and above their Rights Entitlements (including the unsubscribed portion in the Issue, if any) jointly or severally, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations in order to achieve the minimum subscription of 90% of the Issue in accordance with Regulation 86 of the SEBI ICDR Regulations.

**Filing**

This Draft Letter of Offer has been filed with the BSE. On receipt of the in -principle approval from the BSE, the final Letter of Offer will be filed with Stock Exchange and will be submitted to SEBI for information and dissemination purpose as per the provisions of the SEBI ICDR Regulations.

## 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 set forth below:

S. No.	Particulars	Amount (in ₹ Lakhs except share data)	
		Aggregate value at face value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	1,90,00,000 Equity Shares of face value of ₹ 10/- each	1,900.00	3,800.00
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	20,70,900 Equity Shares of face value of ₹ 10/- each	207.09	414.18
<b>C.</b>	<b>Present Issue in terms of this Draft Letter of Offer*</b>		
	1,65,67,200 Equity Shares of face value of ₹ 10/- at premium value of ₹ 20/ each (including a premium of ₹ 10/-)	1,656.72	3,313.44
<b>D.</b>	<b>Issued, Subscribed and Paid-Up Share Capital after the Issue#</b>		
	1,86,38,100 Equity Shares of face value of ₹ 10/- each	1,863.81	3,727.62
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue		Nil
	After the Issue		●

*The present Issue has been authorised vide a resolution passed at the meeting of the Board of Directors dated June 17, 2023, October 31, 2023 and November 18, 2023 and the Special Resolution passed at the Extra-Ordinary General Meeting of the Shareholders held on July 17, 2023 and November 27, 2023.*

*# Assuming full subscription for and allotment of the Rights Entitlement.*

*\* Subject to finalisation of Basis of Allotment of Rights Equity Shares.*

### Notes to the Capital Structure

1.Our Company shall ensure that any transaction in the Equity Shares by our Promoters and member of Promoter Group during the period between the date of filing this Draft Letter of Offer and the Issue Closing Date shall be reported to the Stock Exchanges within 24 hours of such transaction.

2.The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer;

3.As on the date of this Draft Letter of Offer, our Company has not issued any special voting right Shares and there are no outstanding Equity Shares having special voting rights;

4.No Equity Shares or convertible securities have been acquired by the Promoter or the members of the Promoter Group in the last one year immediately preceding the date of filing of this Draft Letter of Offer with the Designated Stock Exchange.

5.As on the date of this Draft Letter of Offer, our Company does not have any outstanding warrants, outstanding instruments with an option to convert or securities which are convertible later into Equity Shares;

6.No Equity Shares held by our Promoters or Promoter Group have been locked-in, pledged or encumbered as of the date of this Draft Letter of Offer.

7.As on the date of this Draft Letter of Offer, our Company does not have an employee stock option scheme or employee stock purchase scheme.

8.The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹ 37.73/- per equity share.

## Shareholding Pattern:

Shareholding pattern of our Company as per the last filing with BSE in compliance with the provisions of the SEBI Listing Regulations:

1. The shareholding pattern of our Company as on September 30, 2023, can be accessed on the website of the BSE at:

<https://www.bseindia.com/stock-share-price/arunjyoti-bio-ventures-ltd/abvl/530881/shareholding-pattern/>

2. Statement showing shareholding pattern of the Promoters and Promoter Group including details of lock-in, pledge of and encumbrance thereon, as on September 30, 2023 can be accessed on the website of the BSE at:

<https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=530881&qtrid=119.00&QtrName=September%202023>

3. Statement showing holding of Equity Shares of persons belonging to the category “Public” including shareholders holding more than 1% of the total number of Equity Shares as on September 30, 2023 can be accessed on the website of the BSE at:

<https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=530881&qtrid=119.00&QtrName=September%202023>

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

Our Promoters and the Promoter Group has, *vide* letter dated December 01<sup>st</sup>, 2023 (the “**Subscription Letter**”), undertaken to: (a) subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in his favour by any other Promoters or member(s) of the Promoter Group of our Company; and (b) subscribe to, either individually or jointly and/ or severally with any other Promoters 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 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.

## OBJECTS OF THE ISSUE

Our company proposes to utilize the net proceeds from the issue towards funding the following objects:

1. Conversion of unsecured loans availed by our Company from the Promoters;
2. To augment the existing and incremental working capital requirement of our company
3. 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 above-mentioned Objects.

The main object clause of Memorandum of Association of our Company enables us to undertake the activities for which the funds are being raised by us through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

### Issue Proceeds and Net Proceeds

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

(₹ in lakhs)

S. No.	Particulars	Amount
1.	Gross Proceeds of the Issue*	Upto 3,313.44
2.	Less: Estimated Issue related expenses**	[●]
<b>Net Proceeds of the Issue</b>		[●]

\*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted as per the Rights Entitlement ratio.

\*\* To be determined at the time of filing the Letter of offer.

### Utilization of Net Proceeds and Means of Finance

The proposed utilization of Net Proceeds is set forth below:-

(₹ in lakhs)

Particulars	Amount to be funded from Net Proceeds	Amount to be deployed from the Net Proceeds
		Fiscal 2024
Conversion of unsecured loans availed by our Company from the Promoters	1,976.01	1,976.01
To augment the existing and incremental working capital requirement of our company	432.86	432.86
<b>Sub-total</b>	[●]	[●]
General corporate purposes#	[●]	[●]
<b>Total*</b>	[●]	[●]

# The amount to be utilized for general corporate purposes will not exceed 25% of the Gross Proceeds;

\* Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

### Means of Finance

The funding requirements mentioned above are based on our Company’s internal management estimates and have not been appraised by any bank, financial institution or any other external agency. In case of a shortfall in the Net Proceeds, our management may explore a range of options which include utilisation of our internal accruals, or other modes of financing. Our management expects that such alternate arrangements would be available to fund any such shortfall. The estimates are based on current circumstances of our business and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company’s funding requirements and deployment schedules are subject to revision in the future at the discretion of our management.

The fund requirements set out above are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised from the Issue.

#### Details of the Objects of the Issue:

##### 1. Conversion of unsecured loans given by the Promoters

Since the Company required fund towards meeting its working capital requirements, the Promoters and members of the Promoter Group have advanced by way unsecured loans to the Company at various intervals. As on November 30, 2023, our Company has availed unsecured loans amounting to ₹ 1,976.01 Lakhs from our Promoters, Pabbathi Badari Narayana Murthy and Dathvik Pabbathi as stated in the table below. These loans are repayable on demand and there are no penalties for prepayment.

S. No	Name of the Lender	Outstanding Unsecured loans as on November 30, 2023 (₹ in lakhs)	Interest (%)	Nature of Borrowing	Proposed repayment Net Proceeds (₹ in lakhs)
1	Pabbathi Badari Narayana Murthy	1,455.69	Nil	Business Purpose	1,455.69
2	Dathvik Pabbathi	520.32	Nil	Business Purpose	520.32
	<b>Total</b>	<b>1,976.01</b>			<b>1,976.01</b>

*\*The aforesaid loan has been used for working capital requirements and general corporate purposes as certified by Statutory Auditors of the Company vide certificate dated December 01, 2023*

Pabbathi Badari Narayana Murthy and Dathvik Pabbathi, being the promoters of our Company, have vide their letter dated December 01, 2023 confirmed that an amount of ₹ 1,976.01 lakhs (Rupees Nineteen Crores Seventy Six Lakhs One Thousand only) has been brought into the company by them respectively, hence it is proposed to convert the said unsecured loans into equity, subject to their entitlement, renunciation of entitlement made in their favour of Promoters as well as Additional Rights Equity Shares to be applied by them 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 such an extent.

Our Promoters and Promoter Group vide their letter dated December 01, 2023 (“**Subscription Letter**”), have indicated that they may, jointly and/or severally, shall subscribe in the Issue, to the full extent of their Rights Entitlements and have also confirmed that they shall not renounce their Rights Entitlements (except to the extent of renunciation by any of them in favour of any other Promoter or member of the Promoter Group). The acquisition of Rights Equity Shares by our Promoters and our Promoter Group, over and above its Rights Entitlements shall not result in a change of control of the management of our Company and shall be in compliance with the SEBI SAST 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 under the Applicable Law.

The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the SEBI Takeover Regulations is Rs. 37.73.

#### Interest of Promoters, Promoter Group and Directors, in the objects of the Issue

Except Pabbathi Badari Narayana Murthy and Dathvik Pabbathi, being the promoters of our Company, have vide their letter dated December 01<sup>st</sup>, 2023 confirmed that an amount of ₹ 1455.69 lakhs and ₹ 520.32 lakhs respectively, which has been availed by our Company, in the nature of identified unsecured loans as per the details mentioned in the above table, is proposed to 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, to the extent of their entitlement, renunciation of entitlement made in their favour or Promoters or members of Promoter Group (if any) as well as Additional Rights Equity Shares to be applied by them 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 such an extent. None of the other promoters/directors have any interest in the objects of the issue.

## 2. To augment the existing and incremental working capital requirement of our company

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals. We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change.

The details of estimation of Working Capital Requirement, is as under:

(₹ in Lakhs)

Particulars	March 31, 2023 (Restated)	September 30, 2023 (Restated)	March 31, 2024 (Projected)	March 31, 2025 (Projected)
Current Assets				
Inventories	88.48	27.29	311.02	326.57
Trade Receivables	78.28	117.21	588.16	617.57
Cash and Cash Equivalents	2.52	4.91	2.98	3.13
Short - term loans and advances	0	0	0	0
Other Current Assets	384.09	558.85	612.78	643.42
Total Current Assets (1)	553.37	708.26	1514.94	1590.69
Current Liabilities				
Short Term Borrowings	--	--	--	--
Trade Payables	--	9	14.23	14.94
Other Current Liabilities	128	22.86	25.81	27.10
Short Term Provision	24.13	5.75	7.12	7.48
Total Current Liabilities (2)	152.13	37.61	47.16	49.52
Working Capital (1-2)	401.24	670.65	1467.78	1541.17
Source of Working Capital				
Working capital Funding from Banks and Unsecured loans	401.24	670.65	1034.92	1541.169
<b>Issue Proceeds</b>	<b>--</b>	<b>--</b>	<b>432.86</b>	

As certified by Statutory Auditor vide certificated dated January 11, 2024

## 3.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 exceed 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, strategic investments, 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, 2013.

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.

## Estimated Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs. The expenses of this Issue includes, among others, lead management fees, printing and distribution expenses, advertisement expenses and legal fees, if applicable.

The estimated Issue expenses are as follows:

(₹ in Lakhs)

Activity	Estimated Expenses	As a % of the total estimated Issue Expenses	As a % of the Total Issue Size
Payment to Merchant Banker including, underwriting and selling commissions, brokerages, Advisors to the Company, payment to other intermediaries such as Legal Advisors, Registrars to the Issue, etc. and other out of pocket expenses.	[•]	[•]	[•]
Advertising and marketing expenses	[•]	[•]	[•]
Printing and stationery expenses, distribution and postage	[•]	[•]	[•]
Regulatory and other expenses including Listing Fee,	[•]	[•]	[•]
<b>Total estimated Issue expenses</b>	[•]	[•]	[•]

**Note:** Subject to finalisation of Basis of Allotment and actual 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 from the Issue.

#### Interim Use of Funds

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

#### Monitoring of Utilization of Funds

Since the Issue is for an amount not exceeding ₹10,000 lakhs, in terms of Regulation 82(1) 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 of the SEBI Listing Regulations, we will disclose to the Audit Committee the uses/applications 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 this Draft 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 Company's Statutory Auditor.

Further, in terms of Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchanges 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 Exchanges 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.

**Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Issue without being authorized to do so by the shareholders by way of a special resolution. In addition, the notice issued to the shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act 2013. Pursuant to the Companies Act 2013, the Promoters or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the Objects of the Issue at the fair market value of the Equity Shares, as on the date of the resolution of our Board, recommending such variation in the terms of the contracts or the objects referred to in the Draft Letter of Offer, in accordance with such terms and conditions as may be specified on this behalf by SEBI.

**Bridge Financing Facilities**

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

**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.

**Interest of Promoter, Promoter Group and Directors, in the objects of the Issue.**

Neither the Promoter Group, Directors, Group Companies or Key Management Personnel has entered into nor are planning to enter into any arrangement/ agreements with Promoters, Promoter Group, Directors, Key Management Personnel or our Group Companies in relation to the utilization of the Net Proceeds of the issue. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects, as set out above.

## STATEMENT OF TAX BENEFITS

The Board of Directors

**Arunjyoti Bio Ventures Limited**

Door No.1-98/1/JSIC/6F/604-B6th Floor, Jain Sadhguru Capital Park,

Beside Image Gardens, Madhapur, Shaikpet, Hyderabad – 500081 Telangana, India

**Re: Proposed rights issue of equity shares of face value of Rs.10 each at Premium at value of Rs.20 each (including premium of Rs.10) (the "Equity Shares" and such offering, the "Issue") of Arunjyoti Bio Ventures Limited (the "Company") pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations") and the Companies Act, 2013, as amended (the 'Act')**

We V Ravi & Co, Statutory Auditors of the Company, hereby report that the enclosed Statement prepared by Arunjyoti Bio Ventures Limited (the "Company") which provides the possible special tax benefits under direct tax laws presently in force in India, including the Income-tax Act, 1961 and Income tax Rules, 1962 as amended under the Finance Act, 2023 i.e., applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25 (hereinafter referred to as "Income Tax Laws"),, presently in force in India, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act, 2017, Customs Act, 1962, the Customs Tariff Act, 1975 as amended by the Finance Act 2023, i.e., applicable for the Financial Year 2023-24, Foreign Trade Policy 2023 (collectively the "Taxation Laws"), the amendments, rules, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2024-25 relevant to the financial year 2023-24, available to the Company and its shareholders. Several of these benefits are dependent on the Company and its shareholders as the case may be, fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company and 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 face in the future, the Company and its shareholders may or may not choose to fulfil.

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.

Further, the preparation of the enclosed Statement and its contents was the responsibility of the management of the Company. We were informed that 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 proposed offer.

We have conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' (the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements.

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

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

The contents of the enclosed Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views expressed herein are based on the facts and assumptions indicated to us. 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 change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct.

We will not be liable to any other person in respect of this Statement.

This statement is solely for your information and not intended for general circulation or publication and is not to be reproduced or used for any other purpose without our prior written consent, other than for inclusion of extracts of this statement in the Draft Letter of Offer and Letter of Offer and submission of this statement to the Securities and Exchange Board of India, the stock exchanges where the Equity Shares of the Company are proposed to be listed, in connection with the proposed Issue, as the case may be.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Draft Letter of Offer and the Letter of Offer, as the case may be.

**For V Ravi & Co.,  
Chartered Accountants  
Firm Reg No. 006492S**

**D Ramesh Kumar**  
Partner  
Membership No. 217139  
UDIN: 23217 139BGUDLH6542

Place: Hyderabad  
Date: 27.11.2023

## **ANNEXURE A**

### **STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO ARUNJYOTI BIO VENTURES LIMITED (THE "COMPANY") AND ITS SHAREHOLDERS**

#### **I. UNDER THE INCOME TAX LAWS**

##### **1. Special tax benefits available to the Company**

There are no special tax benefits available to the Company.

##### **2. Special tax benefits available to the shareholders**

There are no special tax benefits available to the shareholders of the Company.

#### **Notes:**

- a) The above Statement sets out the provisions of law in a summarized manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- b) 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.
- c) The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2024-25.
- d) 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.
- e) 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.
- f) 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.

## **ANNEXURE B**

### **STATEMENT OF INDIRECT TAX BENEFITS AVAILABLE TO ARUNJYOTI BIO VENTURES LIMITED (THE "COMPANY") AND ITS SHAREHOLDERS**

II. The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 ("GST Act"), the State Goods and Services Tax Act, 2017, the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") (collectively referred to as "Indirect Tax Laws")

#### **1. Special tax benefits available to the Company under the Indirect Tax Laws**

There are no special indirect tax benefits available to the Company.

#### **2. Special tax benefits available to the shareholders under the Indirect Tax Laws**

There are no special indirect tax benefits applicable in the hands of shareholders for investing in the shares of the Company.

Notes:

- a) The above statement is based upon the provisions of the specified Indirect Tax Laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
- b) The above statement covers only above-mentioned tax laws benefits and does not cover any direct tax law benefits or benefit under any other law.
- c) 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.
- d) 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 OUR COMPANY

### INDUSTRY OVERVIEW

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications, publicly available documents and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire DLOF, including the information contained in the sections titled “Risk Factors” and “Restated Financial Statements” and related notes beginning on page nos. 20 and 91 of this DLOF.*

#### **Contract Packaging Industry Overview**

The contract packaging market is moderately fragmented, with the presence of many domestic and international vendors. The companies in the market are continually expanding their geographical proximity with the help of partnerships and mergers. With the growth of outsourcing activities among various established players, as well as SMB, the market studied has been witnessing significant competition, in terms of providing reliable and speed of services, making it a competitive market. Overall, the threat of substitutes is moderate and is expected to grow during the forecast period.

- June 2020 - Jones Healthcare Group made a major investment in its packaging services offering which includes a fully integrated two-lane Uhlmann blister packaging line. The fully automated equipment will improve the firm's capacity to manage surges regarding the demand and unique blister combinations, as more complex pharmaceutical dosage forms and regimes are evolving clinically and commercially.
- May 2020 - Sharp (UDG Healthcare PLC) acquired a pharmaceutical packaging facility from Quality Packaging Specialists International LLC (QPSI). The facility covers an area of 160,000 sq. ft and has full regulatory approval. It encompasses 12 primary production sites for multiple secondary packaging lines to offer both primary and secondary pharmaceutical packaging, including bottling, blistering, vial labeling, and medical device kitting, as well as serialization services.

#### **Contract Packaging Market Leaders**

1. Aaron Thomas Company
2. Multipack Solutions LLC
3. Pharma Tech Industries Inc.
4. UNICEP Packaging LLC
5. Jones Packaging Inc.
6. \*Disclaimer: Major Players sorted in no particular order

## Market Concentration



Source: Mordor Intelligence

Source: <https://www.mordorintelligence.com/industry-reports/global-contract-packaging-market-industry>

### **Global Co-Packaging Market Growth (Status And Outlook) 2023-2029**

Co-Packaging (contract packaging) is a packaging and labeling services can be used for many types of products including foods, pharmaceuticals, household products, and industrial products.

LPI (LP Information)' newest research report, the “Co-Packaging Industry Forecast” looks at past sales and reviews total world Co-Packaging sales in 2022, providing a comprehensive analysis by region and market sector of projected Co-Packaging sales for 2023 through 2029. With Co-Packaging sales broken down by region, market sector and sub-sector, this report provides a detailed analysis in US\$ millions of the world Co-Packaging industry.

This Insight Report provides a comprehensive analysis of the global Co-Packaging landscape and highlights key trends related to product segmentation, company formation, revenue, and market share, latest development, and M&A activity. This report also analyzes the strategies of leading global companies with a focus on Co-Packaging portfolios and capabilities, market entry strategies, market positions, and geographic footprints, to better understand these firms' unique position in an accelerating global Co-Packaging market.

This Insight Report evaluates the key market trends, drivers, and affecting factors shaping the global outlook for Co-Packaging and breaks down the forecast by type, by application, geography, and market size to highlight emerging pockets of opportunity. With a transparent methodology based on hundreds of bottom-up qualitative and quantitative market inputs, this study forecast offers a highly nuanced view of the current state and future trajectory in the global Co-Packaging.

The global Co-Packaging market size is projected to grow from US\$ million in 2022 to US\$ million in 2029; it is expected to grow at a CAGR of % from 2023 to 2029.

Source: <https://www.marketintelligencedata.com/reports/7520197/global-co-packaging-market-growth-status-and-outlook-2023-2029?Mode=Alicia>

## **Contract Packaging Market Size & Share Analysis - Growth Trends & Forecasts (2023 - 2028)**

### ***Contract Packaging Market Size***

#### **Contract Packaging Market**

Market Size in USD Billion

CAGR 8.69%



Source : Mordor Intelligence



Source: <https://www.mordorintelligence.com/industry-reports/global-contract-packaging-market-industry>

### **Contract Packaging Market Analysis**

The Global Contract Packaging Market size is expected to grow from USD 67.46 billion in 2023 to USD 102.33 billion by 2028, at a CAGR of 8.69% during the forecast period (2023-2028).

With the outbreak of the COVID-19 pandemic, the contract packaging market has witnessed tremendous growth, as the e-commerce market has taken a boom, owing to lockdown and social distancing norms where the majority of the consumers has been preferring online channel for shopping, and companies have been outsourcing their packaging end to end or standalone services to meet the growing demand.

- However, the pandemic impacted the automation plans for various company, which has some minimalistic effect in the market studied. According to the Association for Packaging and Processing Technologies (PMMI) survey, around 67% of CPG companies have put automation plans on hold than win comparison to 23% of SMEs.
- Growth in the global contract packaging market is mainly influenced by the changing preferences of manufacturing firms, who usually outsource packing activities to third-party players. This is because manufacturers are increasingly focusing on cost optimization and their core business. Contract packaging provides several advantages. Firstly, it reduces the operational costs of the manufacturers. In many cases, it is estimated that the operational costs can be reduced by as much as 7% to 9% through outsourcing packaging activities to contract packagers and the decreasing costs of machines and labor costs.
- Secondly, packaging regulations, especially in the case of food and beverage products, are evolving rapidly. Meeting such stringent rules and norms require several inspection and quality check operations. By outsourcing packaging activities, the hectic task of meeting such regulations (also known as mil-spec packaging) is passed on to the contract packaging agency, motivating more manufacturers to prefer contract package over in-house packaging activities.

- Moreover, the packaging industry is rapidly growing, with many new products and technologies being introduced. Therefore, packaging companies need to stay updated to meet the changing needs of customers. Factors, such as urbanization, increasing disposable incomes, and preference for convenient and easy-to-open packages, shape new trends in the market.
- Raising consumer awareness about environmental concerns, along with the producers' demand for economical packaging options, is impelling contract packagers to adopt earth-friendly alternatives and eco-sensitive package designs. Furthermore, sustainability and customization are likely to continue to positively impact the contract packaging market, leading to growth in use in consumer-packaged goods, such as personal care and food and beverages, over the forecast period. In June 2020, CPA, The Association for Contract Packagers, and Manufacturers and The European CoPackers Association (ECPA) collaborated to increase the awareness and use of the contract packaging and contract manufacturing industry in their respective regions. This presents an opportunity for the members of each organization to invest in new technologies and introduce sustainability into their operations.
- To remain relevant in the market, vendors are also focusing on acquisitions and geographical expansions, due to which the market is gradually consolidating. For instance, in March 2020, South Atlantic Packaging Corp. (SAPC) in Winston-Salem, a contract packaging company that offers to package, kitting, assembly, and warehousing solutions, bought Florida-based Versatile Packagers. It provides an excellent location for SAPC.

Source: <https://www.mordorintelligence.com/industry-reports/global-contract-packaging-market-industry>

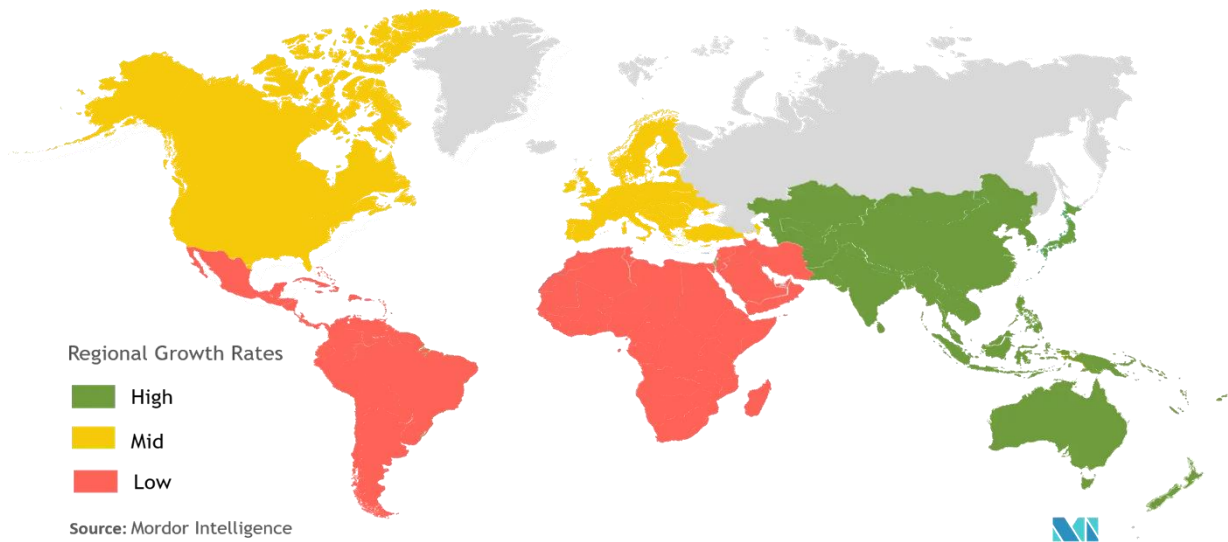
### **Contract Packaging Market Trends**

#### ***North America to Account for the Largest Share***

- The contract packaging sector in North America is rapidly growing due to the increasing demand for packaging in segments, like food and beverages, pharmaceuticals, beauty care, and other sections. Various contract packaging companies in the United States and Canada have learned to adapt to challenging business conditions. The companies are also getting aware regarding the intense global competition, cost pressures, and highly variable demand from OEMs. This environment is significantly increasing the contract packaging market in the United States. Many European companies, such as Langen Group and Persson Innovation, have already invested in the United States.
- Owing to the stability, rising demand, and changing the preference of manufacturing firms toward contract packagers, the U.S. contract packaging market is expected to witness steady growth. Also, the U.S. government has placed various laws and regulations on the labeling and packaging of the drugs. This could create a positive impact on the demand for contract packaging, owing to the inability of an in-house packaging facility for few pharmaceutical companies in this region.
- In February 2020, Big Beverages Contract Manufacturing (BBCM) announced the opening of its new beverage co-packing facility in North Carolina. In their new facility, BBCM will begin with one highspeed can-line capable of producing 1,200 cans per minute with plans to add lines two and three over the next 18 months. BBCM plans to provide a variety of canned beverage products for large national and regional customers. BBCM will be fully operational in late Q2 2020, and its first production line is 80% sold out.
- In January 2020, MSI Express, backed by HCI Equity Partners, which is headquartered in the United States, has acquired Power Packaging. MSI Express is a provider of contract packaging and contract manufacturing services for well-known brands in the shelf-stable human and pet food space. The acquisition of Power Packaging further expands MSI Express's geographical presence, capabilities, and customer relationships. Power also brings MSI Express into new food categories such as powdered beverages, soups and bases, baking mixes, beverage mixes, coffees and teas, foodservice beverages, dinner kits, pasta, rice, side dishes, and salad dressings.

Source: <https://www.mordorintelligence.com/industry-reports/global-contract-packaging-market-industry>

#### Contract Packaging Market - Growth Rate by Geography (2021 - 2026)



Source: <https://www.mordorintelligence.com/industry-reports/global-contract-packaging-market-industry>

#### **Beverage Packaging Industry Overview**

The beverage packaging market is highly fragmented due to the presence of both global players and small and medium-sized enterprises. Players in the market are adopting strategies such as partnerships, mergers, innovations, investments, and acquisitions to enhance their product offerings and gain sustainable competitive advantage.

November 2022 - Tetra Pak signed a USD 2.5 million contract with Uniboard to establish a cardboard recycling unit for used beverage cartons (UBC). The investment will be used to build a facility able to recycle 8,000 tonnes of UBC annually and should be operational in 2023. May 2022 - O-I Glass Inc. and Coca-Cola UNITED announced a partnership to recycle glass bottles. By 2030, Coca-Cola UNITED hopes to use 50% recycled material in its bottles as part of its commitment to building a world without waste. To collect more recycled glass to be turned into new glass bottles, the bottling firm is collaborating with O-I Glass.

#### **Beverage Packaging Market Leaders**

1. O-I Glass Inc.
2. Tetra Laval International SA
3. Ball Corporation
4. Ardagh Group
5. Amcor PLC

\*Disclaimer: Major Players sorted in no particular order

## Market Concentration



Source: Mordor Intelligence



Source: <https://www.mordorintelligence.com/industry-reports/beverage-packaging-market>

### Beverage Packaging Market Analysis

The Beverage Packaging Market size is estimated at USD 143.02 billion in 2023, and is expected to reach USD 175.26 billion by 2028, growing at a CAGR of 4.15% during the forecast period (2023-2028).

The market size reflects the value of the consumption of beverage packaging products across end-user industries and is computed in real terms. Beverage packaging products such as bottles, cans, pouches, cartons, and beer kegs are considered within the scope of the market studied.

- Beverage packaging offers tamper resistance and protection and meets beverages' physical, chemical, or biological needs. Additionally, beverage packaging encourages nutrition and guarantees rapid and reliable distribution across the value chain.
- The size of beverage packaging has been a polarizing trend for a decade owing to various factors, including growing health concerns. Excessive consumption of consumables such as aerated drinks creates an imbalance of sugar in the bloodstream. It damages the ability of the liver to process sugar intake, leading to the risk of Type 2 diabetes. As a result, beverage manufacturers are under increased pressure to reduce the size of their packaging to give consumers more options and permit them to have greater control over how much they consume. In addition, various manufacturers have pledged to reduce the calorie content, driving the need for smaller packaging.
- The dynamic lifestyles and the consequent dependence of consumers on packaged beverages are also augmenting the sales of beverage packaging products such as plastic and paper bottles and containers. This trend bolsters the sales of plastic products, owing to their superior barrier properties, convenient format, high-quality printability, and prudent usage of material resources.
- The rise in packaging costs is the pandemic's surge in demand. Since consumers were stranded at home, the shift to online purchasing intensified. As a result, practically all online firms now have a significant requirement for e-commerce packaging for shipping orders. The fundamental economics of supply and demand and the problems faced by beverage packaging market players resulted in inescapable rises in raw materials and completed packaging.
- As a result of the COVID-19 outbreak, consumer behavior has changed substantially. Buyers are more concerned than ever before about products' hygiene and sustainability. The shoppers' evolving needs and a consumer-focused approach will remain crucial as this crisis continues. Consumer behavior will undoubtedly continue to change during the forecast period as the market simultaneously acclimates more to the current scenario. Thus, the post-COVID-19 method for beverage packaging looks promising in terms of demand.

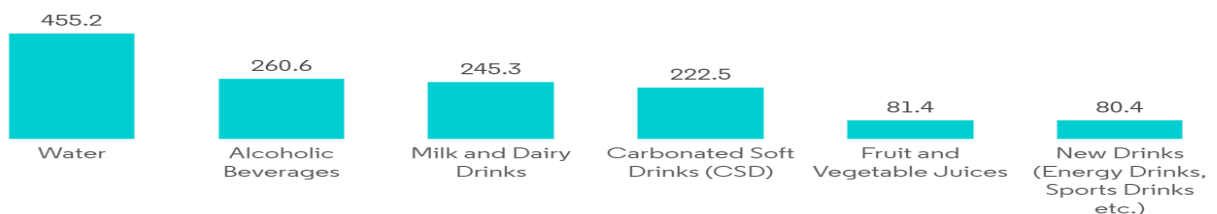
## **Beverage Packaging Market Trends**

This section covers the major market trends shaping the Beverage Packaging Market according to our research experts:

### ***Bottled Water to Drive the Market***

- The beverage industry is one of the pioneers with considerable expansion and technology modernization investments. Packaging water is a complex technical area of the industry. The packaged and bottled water packaging industries are experiencing rapid growth as public awareness of the need for pure drinking water increases.
- Bottled water is considered one of the most consumed beverages due to its convenience. The bottle packaging is also suitable for long-distance transportation of water. Boiling water at home is time-consuming and energy inefficient. This is anticipated to contribute significantly to the growth of the bottled water packaging market. In emerging markets, it has become a symbol of a healthy lifestyle.
- There are different types of bottled water, each with different origins, compositions, and processing requirements. Advances in mineral water have led to increased consumption worldwide due to its high benefits and positive health impacts. Growing demand for mineral water from natural sources stored in quality bottles drives the growth rate of the bottled water packaging market.
- The use of glass bottles for water packaging is widespread. However, the hot-fill/hold/cool process had to be applied with care to avoid the breakage of the containers. With rising environmental concerns about plastic wastage, various hospitality businesses, such as hotels, are using glass water bottles.
- For instance, in December 2022, recognizing the increasing rate of plastic waste worldwide, Boone, a global water technology startup enabled by the Internet of Things (IoT), partnered with Mumbai's Grand Hyatt to eliminate plastic bottles. A sustainable glass water bottle replaced them with a negligible carbon footprint. Boone's unique Zero Mile Water system, which uses IoT and AI to monitor the quality of every drop of water, allows hotels to reduce their reliance on external systems significantly. Such initiatives would further leverage the market for glass water bottles.
- \Owing to the significant increase in the number of players and increasing focus on attractive packaging. Major players' increased spending on advertising and marketing activities to reach many consumers and generate profits is anticipated to complement the market's growth over the forecast period. Moreover, manufacturers are innovating bottled water, such as water infused with water from unscathed glaciers. This will likely attract new consumers to experience the feel of water to keep up with their hydration, thus driving the bottled water packaging market.

Consumption of Packed Beverages, by beverage type, in billion liters, Global, 2021



Source: Euromonitor - Kronos



Source: <https://www.mordorintelligence.com/industry-reports/beverage-packaging-market>

## **India Beverage Packaging Market**

The Indian beverage packaging market is projected to grow at a significant CAGR of 9.3% during the forecast period. The key factors that drive the market growth include the rapid changes in the beverage packaging trends across the country. There has been a significant adoption of novel techniques for packaging. New trends in beverage packaging are focusing on the structure modification of packaging materials and the development of new active systems, that can interact with the product or its environment, customer acceptability, food security, and improving the conservation of several beverages.

The Indian beverage packaging market is segmented on the basis of material, product, and beverage. Based on the material, the market is sectioned into glass, plastic, paper, and metal. Plastic is estimated to exhibit significant growth during the forecast period. Based on the product, the market is segmented into bottles & jars, cans, pouches, cartons, and others. The bottles & jars segment is estimated to contribute a prominent share in the market. Based on the

beverage, the market is segmented into non-alcoholic beverages (such as water, juices, energy drinks, carbonated drinks, and dairy beverages) and alcoholic beverages. Non-alcoholic beverage tends to contribute a significant share in the market.

Further, Ball Corp., Graham Packaging Co., Huhtamaki Flexible Packaging, Uflex Ltd., and others are some of the prominent players operating in the Indian beverage packaging market. New product launches & developments, partnerships, agreements, and acquisitions are some of the growth strategies adopted by the players in order to sustain in the highly competitive market.

Source: <https://www.omrglobal.com/industry-reports/india-beverage-packaging-market>

### **Packaging in India Market Analysis**

The India Packaging Market size is expected to grow from USD 75.97 billion in 2023 to USD 128.36 billion by 2028, at a CAGR of 11.06% during the forecast period (2023-2028).

- The demand for packaging in India has expanded drastically, spurred by the rapid growth in consumer markets, especially in processed food, personal care, and pharmaceutical end-user industries. Packaging is India's one of the fastest growing sectors. Over the last few years, the industry has been a key driver of technology and innovation, contributing to various manufacturing sectors, including agriculture and the fast-moving consumer goods (FMCG). The packaging industry is driven by the factors such as rising population, increasing income levels, and changing lifestyles are anticipated to drive consumption across various industries leading to higher demand for packaging product solutions. Moreover, demand from the rural sector for packaged products is fuelled by the growing media penetration through the Internet and television.
- The packaging industry in India is diverse and serves a diverse range of products and industries. Companies have established manufacturing facilities in the country and used these domestic facilities as a base to export to other nations due to the government's positive promotion of the Make in India policy. The government has implemented a plan to lower tax rates for new manufacturing businesses to transform India into a global manufacturing hub. In addition, the government intends to further level the playing field in the industry by launching several initiatives to support the growth of packaging and technological advancements, in addition to the need for domestic businesses to compete with multinational corporations.
- The packaging industry is paramount and vital in the international goods trade. Packaging may be classified based on its type of use, which is primary packaging, secondary packaging, tertiary packaging, and ancillary packaging. It is also segregated based on the types of materials used, such as plastic, paper, paperboard, glass, and metals. Packaging is used across different end-user sectors in a wide range of industries, such as food and beverage, healthcare, and cosmetics, among other end-user industries. The study also analyzes the packaging machinery sector in the Indian packaging sector landscape.
- The market is expected to be significantly challenged due to fluctuation in raw materials pricing, dynamic changes in regulatory standards, growing environmental concerns, limited effective recycling of mixed plastic waste, ineffective plastic recovery, and a lack of modern and advanced machinery in India for the packaging sector. The volatile trend in crude oil and demand for polymers in competing applications has increased pressure on input costs that fluctuate raw materials prices. Recent disruptions due to Russia's invasion of Ukraine and China's stringent Zero COVID-19 policy caused substantial supply chain difficulties and aggravated the challenges for the packaging sector in India.

After the pandemic, there has been a lot of demand for packaging designs that are easy to sell and have a strong sustainability story. This crucial trend has significantly contributed to the rapid transformation of the packaging industry. Prior, shoppers were price-sensitive, but as it may, with the pandemic ruling its dread, the center has moved to health and hygiene. Product categories have changed significantly due to this emphasis on hygienic packaging. Customers are willing to spend more on a product if they believe it meets all packaging requirements.

Source: <https://www.mordorintelligence.com/industry-reports/packaging-industry-in-india>

### **Packaging in India Market Trends**

#### ***Food Industry is Expected to Hold the Largest Share in the Market***

- According to the India Brand Equity Foundation (IBEF) in India, the Food and Grocery market contributes almost 70% of the total retail sales. Departmental retail stores in the urban food market and unit packaging in the rural

food markets are key drivers of flexible packaging in the country. According to USDA Foreign Agricultural Service, the number of traditional retail grocery outlets across India in 2021 was 12.79 million and was expected to surpass 13.05 million by mid of 2023. The growing retail market is expected to boost the demand for flexible packaging in the food segment.

- Furthermore, with the outbreak of COVID-19, the online ordering food segment witnessed significant growth in the country as the country was under lockdown, which resulted in a sudden boom in the online food sector and packed food products. The market size of packed food products drastically increased and is also expected to grow to USD 3.4 billion by 2027, as per the reports of MARC India. Major food delivery players across India, such as Swiggy and Zomato, expanded their base to tier two and tier three cities. Containers, such as bowls, trays, and containers, increased prominently.
- In addition, the Department for Promotion of Industry and Internal Trade of the Government of India formed a private, non-profit organization known as Open Network for Digital Commerce to create open networks for e-commerce. In April 2022, it was established. Any network-enabled app is expected to be able to identify and interact with local commerce across significant categories like supermarkets, food delivery, hotel booking, travel bookings, and more due to this open network.
- The drive to go sustainable has pushed many folding carton manufacturers to launch new products in the market. The packaging solution providers also aim to launch innovative products for the dairy segment. In March 2022, SIG India launched a similar aluminum-free folding carton aseptic packaging to tap into the rising demand for carton-packaged milk products in the country.

Source: <https://www.mordorintelligence.com/industry-reports/packaging-industry-in-india>

### **India food and beverage packaging market**

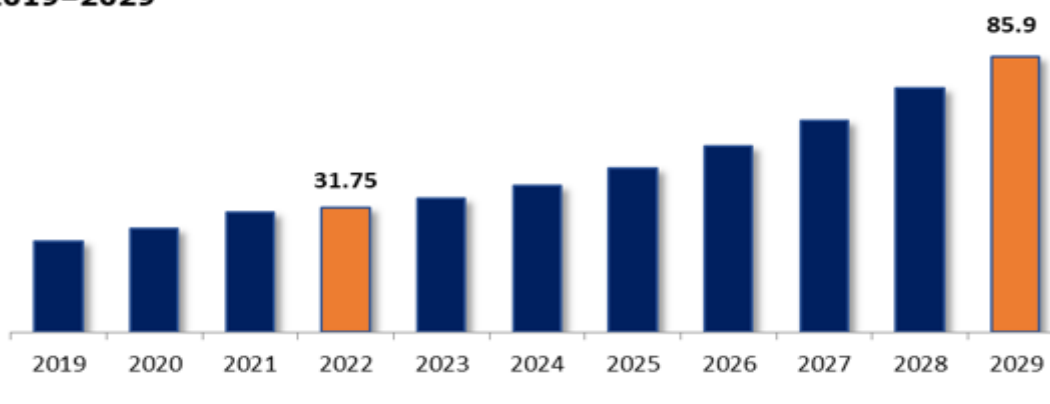
Rising consumption of beverages in emerging economies, surging demand for convenience food, and rapidly changing consumers' lifestyle are projected to propel the expansion of India food and beverage packaging market during forecast period between 2022 and 2028.

### **India Food and Beverage Packaging Market - Industry Trends & Forecast Report, 2029**

India food and beverage packaging market size was worth USD 31.75 billion in 2022. During the forecast period between 2023 and 2029, India food and beverage packaging market size is projected to grow at a CAGR of 14.8% reaching a value of USD 85.9 billion by 2029. Major growth drivers for India food and beverage packaging market include increasing consumption of packaged food, growing awareness and surging demand for high-quality products. Due to initiatives to reduce agricultural crop waste, government investment in the food processing sector is developing new packaging options which is expected to boost the overall market expansion. Additionally, the growth of the market is aided by the expansion of organized retail, high disposable income of the middle-class population, and exports. As a result, consistent packaging is now essential to extend shelf life, maintain manufacturing speed, and ensure quality. A higher standard of living, increased affluence, and the fast-paced metropolitan lifestyle are all contributing to the growing trend of online food delivery paired with packaged food. Investors such as Zomato, Swiggy, and Dunzo, among others, are looking into the online food delivery market as it grows in popularity and packaging innovation. Thus, all these factors fuel the growth of India food and beverage packaging market during the period in analysis.

## India Food and Beverage Packaging Market (USD Billion) 2019–2029

BlueWeave  
CONSULTING



Source: BlueWeave Consulting

Source: <https://www.blueweaveconsulting.com/report/india-food-and-beverage-packaging-market>

### India Food and Beverage Packaging Market– Overview

Packaged foods are gaining popularity in India due to hectic work schedules, an increase in the number of women in the workforce, and a shift toward on-the-go consumption, which is expected to boost the adoption of innovative and sustainable packaging across the food sector. This is expected to propel market expansion throughout the forecast period. Nanofabrication technologies are emerging as innovative solutions across the region, with the goal of developing active materials for use in the design of packages, coatings, and packaging technologies, which assist in preserving and improving the sensorial and nutritional characteristics and safety of foodstuffs, as well as increasing their shelf life.

### Restraints

*Increasingly stringent rules and regulations:*

Packaging materials' inability to disintegrate in a timely manner is a serious concern, prompting government to take measures to address the mounting pollution issue. To solve the issue, stringent rules are being implemented on the food and beverage packaging industry, further impeding market expansion.

*Impact of COVID-19 on India Food and Beverage Packaging Market:*

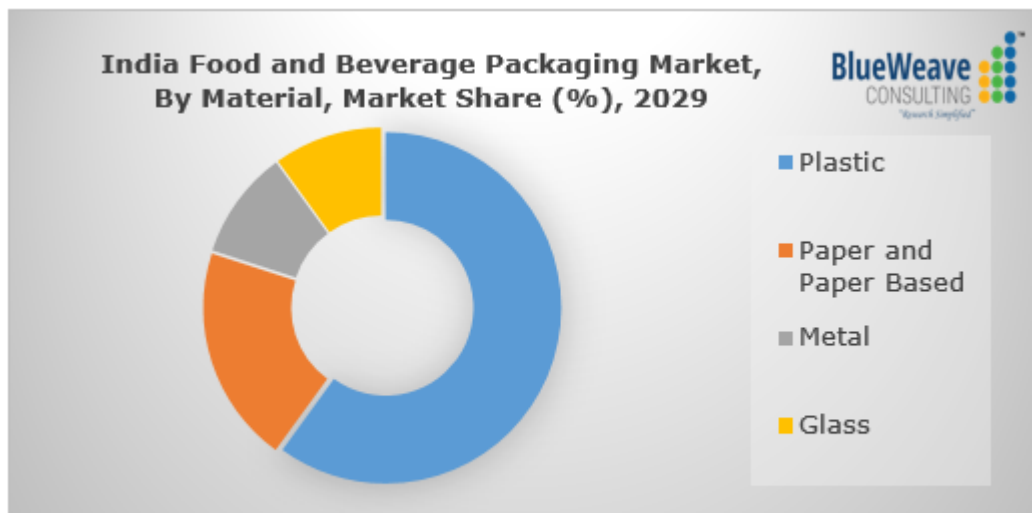
The food and beverage packaging business has seen a dual impact on product demand in recent months because of the lockdowns implemented in many countries due to the COVID-19 pandemic outbreak in December 2019. The supply chain problems caused by the COVID-19 pandemic slowed the market's growth rate. Fluctuations in raw material prices, as well as rigorous government regulations on the use of plastic, may further dampen the market's development rate. Several countries, including Italy, the United States, and India, experienced curfew-like situations in which all businesses (save vital services) were prohibited from operating. However, due to uncertainties surrounding the scenario, customers engaged in impulse shopping and stockpiling foods and necessities, including food products with extended shelf lives. Products require packaging, and manufacturing is higher than ever. Consumers prefer packaged products over loose products such as fruits and vegetables. Furthermore, consumers have preferred to purchase their food and beverage through channels other than those they used before to the pandemic. During the pandemic's initial phase, e-commerce platforms and click-and-collect transactions increased. After the transition from offline to online and the development of new types of online shopping experiences with various touch points for consumers, sales of food packaging solutions utilized in the e-commerce business soared.

Source: <https://www.blueweaveconsulting.com/report/india-food-and-beverage-packaging-market>

### India Food and Beverage Packaging Market – By Material

By material, India food and beverage packaging market is segmented into Paper & Paper-based, Plastic, Metal, and Glass. Plastic segment is expected to dominate the market during period in analysis. Plastic bags are one of the most

common types of plastic packaging. The increase of plastic bags in the country is primarily attributable to the expansion of grocery chains and Kirana stores. Plastic carry bags are commonly used for bakery, confectionery, supermarket, and butcher products around the country. Furthermore, many retail outlets use packaging materials to keep food fresh and nutritional content intact. The demand for supermarket products, such as frozen and chilled dinners, is expected to increase in the next years, assisting the paper bag business to grow.



Source: BlueWeave Consulting

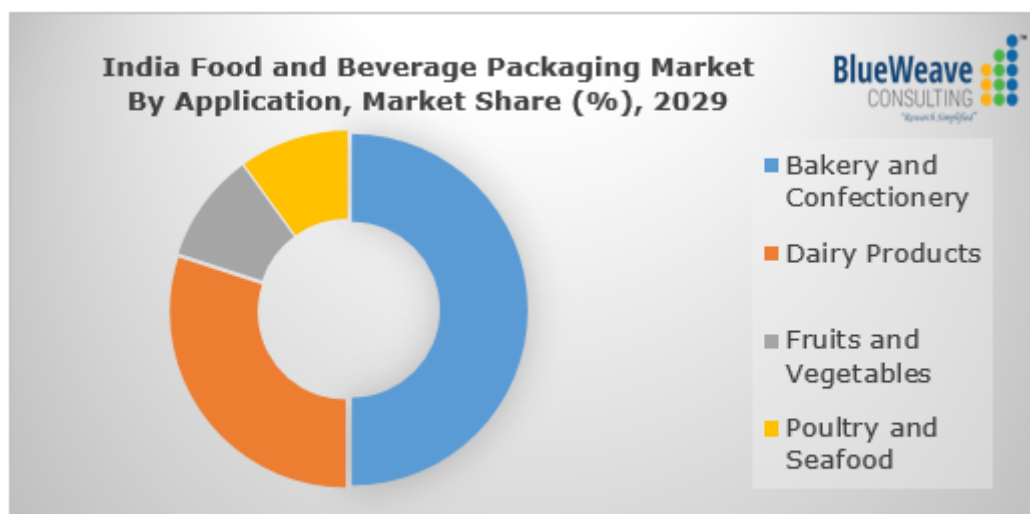
Source: <https://www.blueweaveconsulting.com/report/india-food-and-beverage-packaging-market>

#### **India Food and Beverage Packaging Market – By Product Type**

Based on product type, India food and beverage packaging market is segmented into Pouches & Bags, Bottles & Jars, Trays & Containers, and Films & Wraps. The pouches and bags segment holds the highest market share. It is the most widely used type of flexible packaging in the food sector. Pouch packaging is being used by key players in the packaged food industry as one of the most practical and cost-effective packaging choices. Plastic pouches' growth is further spurred by their ability to allow co-polymerization and the addition of plasticizers, blowing agents, antibacterial compounds, and color-changing additives. Pouches are versatile, portable, and lightweight. Furthermore, advancements in pouch features (such as resealable closures, spouts, and tear notches) and pouch manufacturing technology (such as faster line speeds) continue to lower production costs, making pouches more inexpensive. Additionally, manufacturers are prioritizing the incorporation of features in products that make consumers' lives easier, such as zippered closure systems and lightweight choices. For instance, Nichrome employs India's first vertical pouch packaging equipment to package snacks, dried fruits, cereals, pulses, and other products.

#### **India Food and Beverage Packaging Market – By Application**

Based on application, India food and beverage packaging market is divided into Dairy Products, Meat, Poultry & Seafood, Bakery & Confectionary, and Fruits & Vegetables segments. The bakery and confectionary segment held the highest market share. To improve shelf life, bakery and confectionery items are typically packed in high moisture barrier packaging. Due to features such as lightweight, printability, and cost-effectiveness over paper cartons and tins, flexible packaging is commonly utilized. Additionally, the appealing packaging of confectionery products is likely to drive industry growth.



Source: BlueWeave Consulting

Source: <https://www.blueweaveconsulting.com/report/india-food-and-beverage-packaging-market>

### **Competitive Landscape:**

Major players operating in India food and beverage packaging market include WestRock India Private Limited, Parksons Packaging Ltd, P.R. Packagings Ltd, Autofits Packaging Private Limited, Deccan Cans & Printers Pvt. Ltd, AGI glaspac, PGP Glass Private Limited, Amcor plc, Ball Corporation, and Crown. To further enhance their market share, these companies employ various strategies, including mergers and acquisitions, partnerships, joint ventures, license agreements, and new product launches.

#### **Recent Developments**

In January 2022 - Parksons Packaging Ltd purchased Manohar Packaging (MPPL), a new firm with a footprint across India. Post the deal, MPPL continues as a subsidiary of Parksons.

Source: <https://www.blueweaveconsulting.com/report/india-food-and-beverage-packaging-market>

## OUR BUSINESS

*Unless otherwise stated, all financial information of our Company used in this section has been derived from our Restated Financial Information. 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. You should read the section entitled 'Forward-Looking Statements' for a discussion of the risks and uncertainties related to those statements, and the section entitled 'Risk Factors' for a discussion of certain risks that may affect our business, financial condition, or results of operations. We have, in this Draft Letter of Offer, also included various operational and financial performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates underlying, and used in such calculation, may vary from that used by other similarly placed companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and are cautioned that they should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Letter of Offer.*

### OVERVIEW

Co-packing business company is a specialized packaging company who are well equipped and trained to package the manufactured goods into their final selling form to the common public or wholesaler. A co-packer ensures that a manufacturer focuses on their core competencies of manufacturing the product, and are financially efficient by reducing costs on packaging, machineries, labor, and logistics, and can concentrate on selling their products in better form of packaging.

Our Company was incorporated as Century 21st Portfolio Limited ("Company") as a public limited company under the Companies Act, 1956 vide Certificate of Incorporation dated February 27, 1986 with Registrar of Companies ("RoC") Delhi & Haryana, New Delhi bearing registration number 23476 of 1985-86 and received a Certificate for Commencement of Business on March 17, 1986 by RoC Delhi & Haryana. Thereafter, our Company's place of registered office was changed from Delhi to Andhra Pradesh on December 13, 2008, which was certified by RoC Andhra Pradesh on January 15, 2009 and was shifted to 8-2-682/3/A&B, Suite No. 404, Mayfair Gardens, Road No.12, Banjara Hills, Hyderabad, Andhra Pradesh-500034. Subsequently, the name of the Company was changed from 'Century 21st Portfolio Limited' to 'Arunjyoti Bio Ventures Limited' vide certificate dated January 12, 2015, issued by Registrar of Companies, Hyderabad, Telangana upon grant of fresh Certificate bearing Corporate Identification Number 'L01400TG1986PLC062463'. The registered office of the Company was changed from 8-2-682/3/A&B, Suite No.404, Mayfair Gardens, Road No.12, Banjara Hills, Hyderabad, Andhra Pradesh-500034 to Plot No. 45, P & T Colony, Karkhana, Secunderabad-500009, Telangana, India with effect from May 26, 2014. Subsequently, the registered office of our Company was changed to Door No.1-98/1/JSIC/6F/604-B6th Floor, Jain Sadhguru Capital Park, Beside Image Gardens, Madhapur, Shaikpet, Hyderabad – 500081 Telangana, India with effect from March 21, 2023.

Our Company is a trusted co-packer of beverages for a multinational corporation (MNC). With a primary focus on quality and efficiency, we provide a range of varied co-packing services to meet the unique needs of our MNC customer. Our state-of-the-art facilities and highly skilled team enable us to efficiently and effectively co-pack a variety of beverages, including non-carbonated drinks, juices, energy drinks, and more for our customer as per their demand and specification. We have the capabilities to handle large-scale production runs, ensuring that our MNC partner's products are consistently delivered to market on time and to the highest standards. Efficiency and timely deliverable of services is one of our main motto.

At our Company, we focus and understand the importance of maintaining the integrity of our MNC partner's brand and the demand. We work closely with them to ensure that our co-packing services align with their brand guidelines and quality requirements. We are committed to delivering products that meet our partner's exact specifications. As a co-packer for a multinational beverages corporation, we are committed to continuous growth and expansion to ensure that we serve our customers in a better manner and meet the evolving and dynamic needs of the market.

The beverage packaging market is highly fragmented due to the presence of both global players and small and medium-sized enterprises. Players in the market are adopting strategies such as partnerships, mergers, innovations, investments, and acquisitions to enhance their product offerings and gain sustainable competitive advantage.

The Indian beverage packaging market is projected to grow at a significant CAGR of 9.3% during the forecast period. The key factors that drive the market growth include the rapid changes in the beverage packaging trends across the country. There has been a significant adoption of novel techniques for packaging. New trends in beverage packaging are focusing on the structure modification of packaging materials and the development of new active systems, that can interact with the product or its environment, customer acceptability, food security, and improving the conservation of several beverages. The Indian beverage packaging market is segmented on the basis of material, product, and beverage. Based on the material, the market is sectioned into glass, plastic, paper, and metal. Plastic is estimated to exhibit significant growth during the forecast period. Based on the product, the market is segmented into bottles & jars, cans, pouches, cartons, and others. The bottles & jars segment is estimated to contribute a prominent share in the market. Based on the beverage, the market is segmented into non-alcoholic beverages (such as water, juices, energy drinks, carbonated drinks, and dairy beverages) and alcoholic beverages. Non-alcoholic beverage tends to contribute a significant share in the market.

We have 2 state of the art plants, one in Telangana and one in Andhra Pradesh. Our manufacturing plants are located in following places

- (a) (Unit 1) – Kallem, Jangaon, Telangana. Our plant is spread across 4 Acres where we have a built in plant of 60,000 Sq. ft which has 3 manufacturing lines.
- (b) (Unit 2) – Annadevarapeta, Kovvur, Andhra Pradesh: Our plant is spread across 3.2 Acres where we have a built in Plant of 60,000 Sq. ft which has 2 manufacturing lines.

The financial performance of our Company for six months ended on September 30, 2023, and as on March 31, 2023, March 31, 2022 and March 31, 2020 are as follows:

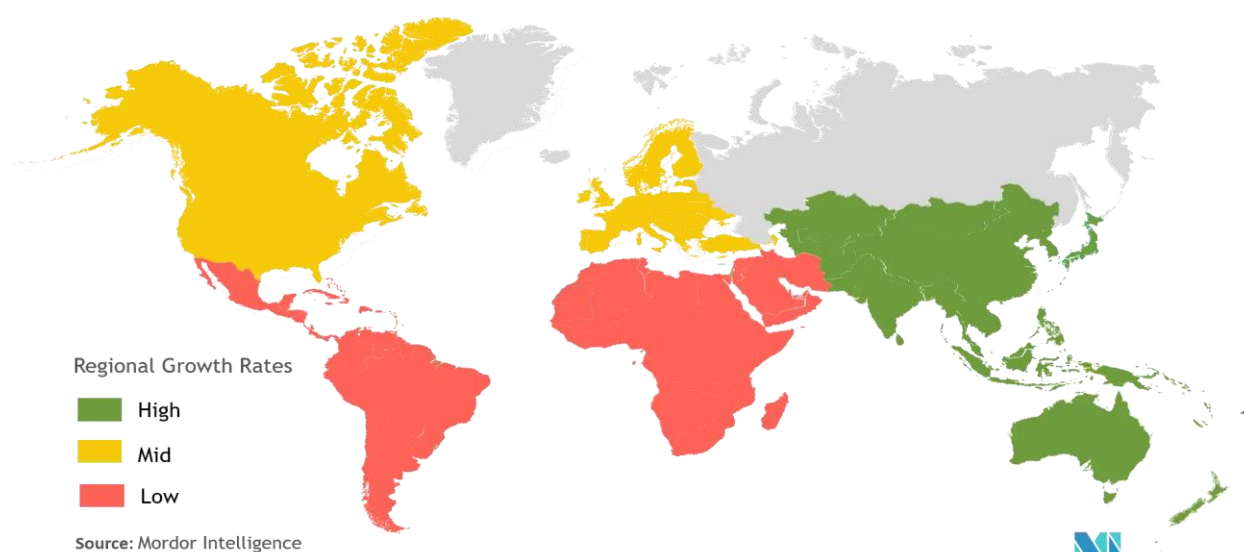
Particulars	For the six months period ended 30 <sup>th</sup> September, 2023	For the period ended March 31, 2023	For the period ended March 31, 2022	For the period ended March 31, 2021
Earnings per share (Rs.)	(6.41)	0.56	0.27	0.33
Return on Net worth (%)	(168.66)	5.52	2.81	3.51
Net Asset Value (Rs.)	3.80	10.21	9.66	9.39
EBITDA (Rs.in lakhs)	(29.35)	16.29	(20.29)	9.20
Share Capital (Rs in lakhs)	207.09	207.09	207.09	207.09
Net worth (Rs in lakhs)	78.74	211.55	200.13	194.51
Revenue from Operations (Rs in lakhs)	594.00	173.53	297.09	551.29
Profit After Tax (Rs in lakhs)	(132.81)	11.68	5.63	6.83
Total Borrowing (Rs in lakhs)	4,152.95	3,227.18	0.00	0.00

### **Our Strengths**

#### ***Expertise in state of the art co packing for beverage industry***

The Global Contract Packaging Market size is expected to grow from USD 67.46 billion in 2023 to USD 102.33 billion by 2028, at a CAGR of 8.69% during the forecast period (2023-2028). With the outbreak of the COVID-19 pandemic, the contract packaging market has witnessed tremendous growth, as the e-commerce market has taken a boom, owing to lockdown and social distancing norms where the majority of the consumers has been preferring online channel for shopping, and companies have been outsourcing their packaging end to end or standalone services to meet the growing demand.

### Contract Packaging Market - Growth Rate by Geography (2021 - 2026)



The Beverage Packaging Market size is estimated at USD 143.02 billion in 2023, and is expected to reach USD 175.26 billion by 2028, growing at a CAGR of 4.15% during the forecast period (2023-2028). The market size reflects the value of the consumption of beverage packaging products across end-user industries and is computed in real terms. Beverage packaging products such as bottles, cans, pouches, cartons, and beer kegs are considered within the scope of the market studied.

We are engaged in the business of Co-packing, specifically the beverage industry since 2022. Our state-of-the-art facilities and highly skilled team enable us to efficiently and effectively co-pack a variety of beverages, including non-carbonated drinks, juices, energy drinks, and more for our customer as per their demand and specification. We have the capabilities to handle large-scale production runs, ensuring that our MNC partner's products are consistently delivered to market on time and to the highest standards.

Our expertise lies in our ability to understand our clients mindset and requirement. Our expertise in this domain empowers us to create the right blend and type of packaging for our client, which allows them to sell their product to the end customer in a more efficient and cost effective manner.

#### ***Experienced and qualified senior management team***

We have a professional and experienced senior management team, distinguished by their wealth of experience and qualifications. With decades of experience, this seasoned group of leaders has consistently driven our company's growth, provided strategic direction, and have consistently shown an exceptional ability to grasp market dynamics to ensure profitability and growth of our Company. We are led by an able and experienced team with extensive experience in the Co-packaging sector. Our team consists of a mix of individuals with professional, technical, business, operational and commercial experience in the industry. Our team is well qualified and experienced in industry and has been responsible for the growth of our operations. The experience of our team along with the strong client and business relationships, will enable us to continue to take advantage of future market opportunities and growth.

Our Promoters have been a key factor in driving our growth in revenue and earnings through efficient management and execution. We believe that the individual and collective strengths, experience skillset our management team has been the backbone of our success and scalability.

#### ***Robust manufacturing facilities***

We have our manufacturing facility to support our production in accordance to the ever growing client demand and the changes as per the requirement of the evolving and dynamic industry. Our manufacturing facility is situated at:

- (a) (Unit 1) – Kallem, Jangaon, Telangana. Our plant is spread across 4 Acres where we have a built in plant of 60,000 Sq.ft which has 3 manufacturing lines.

- (b) (Unit 2) – Annadevarapeta, Kovvur, Andhra Pradesh: Our plant is spread across 3.2 Acres where we have a built in Plant of 60,000 Sq.ft which has 2 manufacturing lines.

We have dedicated teams actively involved in our regular manufacturing activities. Our manufacturing capabilities enable us to support our growth strategy and to cater to the ever changing dynamic and diversified requirement of the industry. We also intend to add a new 160 CPM juice line in our Unit 1 and a new 120 BPM water line in our Unit 2 shortly to enhance and boost our production capability. Our facility is equipped with state of art facilities conforming to global standards to ensure product quality at all times and to ensure that it adheres to all client demand and requirements at all times. We have been working consistently in the field of innovation for improving and upgrading the existing co packaging process to come up with more advances and innovative ideas of packaging to cater to our client demands.

#### ***Quality products delivered as per client specification and requirement***

In the field of co packaging it is imperative that the quality of the product is of highest importance and to ensure strong focus on sustainability in operations. At the core of our company's motive is unwavering commitment to quality in manufacturing of products and an unyielding focus on sustainability in operations. These pillars, integral to our ethos, have been central to our journey and instrumental for our growth over the years.

One of our main strength is that the quality of product that we manufacture for our client. Our Company is a trusted co-packer of beverages for a multinational corporation (MNC). With a strong focus on quality and efficiency, we provide a range of varied co-packing services to meet the unique needs of our MNC customer. Our state-of-the-art facilities and highly skilled team enable us to efficiently and effectively co-pack a variety of beverages, including non-carbonated drinks, juices, energy drinks, and more for our customer as per their demand and specification. We have the capabilities to handle large-scale production runs, ensuring that our MNC partner's products are consistently delivered to market on time and to the highest standards. Efficiency and timely deliverable of services is one of our main motto.

Our motto is to understand the mindset, specification and the requirement of our client along with the demand that they have. Based on such requirement, our manufacturing team works towards the demand and manufactures co packaging for our client's product in the best possible manner. As packaging plays a very important role in identifying a product and differentiating it from competitors, we work towards providing high quality packaging services and also to ensure that the safety and quality of the product is maintained in the utmost manner.

#### ***Established long-term partnerships with our clients to ensure consistent business***

One of the main crux of our growth and business is to establish long term partnerships with our clients and to ensure consistent and repeat business. Over the years, we have forged robust and enduring partnerships with our clients and have provided them with highest quality of packaging services as per their specification and requirement. Our Company is a trusted co-packer of beverages for a multinational corporation (MNC). With a strong focus on quality and efficiency, we provide a range of varied co-packing services to meet the unique needs of our MNC customer. Our quality of service ensures that our client stay with us for long period and provide us with good business towards our growth.

### **Our Strategies**

#### ***Focus on building a strong customer base relationship***

One of our main focus is to work towards building a strong customer base that will trust us on our efficiency and quality of services that we provide. We understand that there is a lot of opportunity to scale up our client base and business in the diversified market of co packaging and we would want to work towards the same to increase our client base based on building relationship. This will ensure more profitability and better results of operations of our business and will allow us to grow our foothold and presence in the market.

As a part of our growth strategy, it is imperative that we focus on building a strong customer base relationship for higher volume of business and repeat orders.

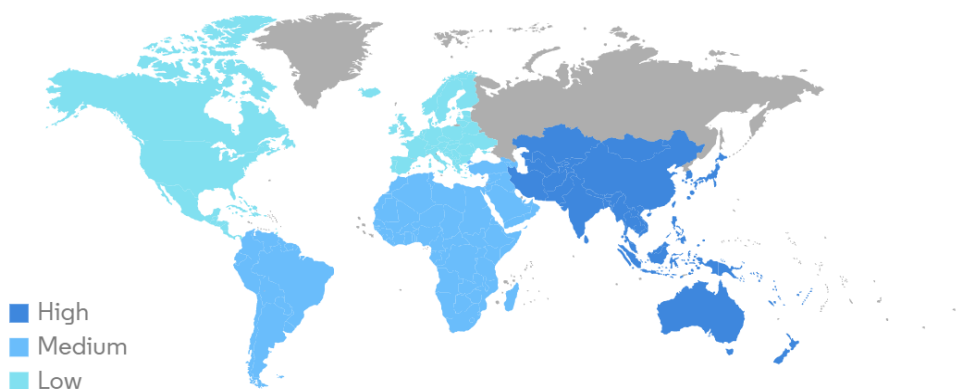
***Expand our business to newer geography.***

The Asia-Pacific region holds significant potential for development in terms of the most prospective countries. In India, beverage packaging has witnessed significant growth in recent years. The key factors that drive the market growth include the rapid changes in beverage packaging trends across the country. There has been significant adoption of novel techniques for packaging. New beverage packaging trends focus on the structure modification of packaging materials and the development of new active systems that can interact with the product or its environment, customer acceptability, security, and improving the conservation of several beverages. Based on the materials used in packaging, the market can be further divided into glass, plastic, paper, and metals, predominantly aluminum).

The key factors driving future growth are urbanization, vibrant youth and their growing share in the workforce, increasing purchasing disposable income, and improved connectivity, particularly in smaller towns. Government directives have brought a new development in the beverage packaging market. Since packaging waste is deemed toxic to the environment, attempts have been made to curb the amount of waste generated. This has nudged the industry towards recyclable and more sustainable packaging options. China's packaging industry has been growing at a rapid and stable pace due to the country's growing economy and increasing middle class with higher purchasing power. The demand for beverage packaging is growing because China's beverage market has experienced considerable growth over the past several years. While each beverage category will present different challenges and opportunities, there are emerging trends in the Chinese consumer lifestyle which are helping shape the market.

The growing consumption of ready-to-drink (RTD) beverages due to hectic consumer work schedules and sedentary lifestyles is propelling the market for beverage packaging in Japan. Also, the rising consumer health concerns regarding the high prevalence of gut-related disorders, such as Gastroesophageal Reflux Disease (GERD), ulcers, gastroenteritis, etc., has increased the consumption of functional drinks are considered the key driving factor of growth for the market. The beverage industry is very innovative and can adapt fast to new or changing consumer demands and trends, such as the move to healthier, fresher, and less processed foods, with short storage time. Innovation, such as developing new processing, separation, and packaging technologies, is key to Asian beverage packaging success.

Beverage Packaging Market - Growth Rate by Region



Source: Mordor Intelligence



As a part of our growth strategy, we intend to focus on the existing geography wherein we have customers to expand the customer base and to also enter geography to expand and acquire more customers. We foresee the co packaging business as a key growth opportunity in the near future and we intend to leverage our expertise in this vertical to expand our presence in newer jurisdiction, with our existing product portfolio and to also cater the jurisdictions with new product portfolio based on our innovation methods. As a part of our strategy and growth implementation, we also intend to identify specific targets and accordingly work towards such targeted geographies to increase our sales, customers and geographic reach.

### ***Expand our production capacities***

We have our manufacturing facility to support our production in accordance to the ever growing client demand and the changes as per the requirement of the evolving and dynamic industry. Our manufacturing facility is situated at:

- (a) (Unit 1) – Kallem, Jangaon, Telangana. Our plant is spread across 4 Acres where we have a built in plant of 60,000 Sq. ft which has 3 manufacturing lines.
- (b) (Unit 2) – Annadevarapeta, Kovvur, Andhra Pradesh: Our plant is spread across 3.2 Acres where we have a built in Plant of 60,000 Sq. ft which has 2 manufacturing lines.

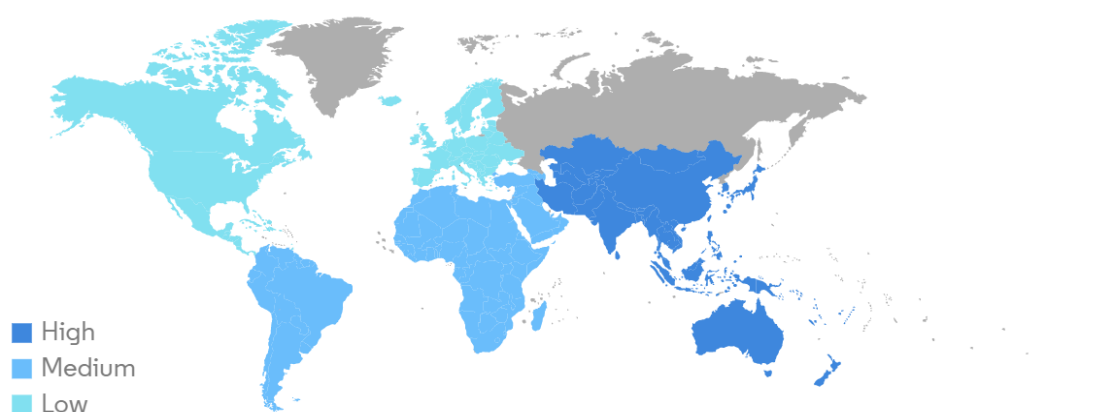
We have dedicated teams actively involved in our regular manufacturing activities. Our manufacturing capabilities enable us to support our growth strategy and to cater to the ever changing dynamic and diversified requirement of the industry. We also intend to add a new 160 CPM juice line in our Unit 1 and a new 120 BPM water line in our Unit 2 shortly to enhance and boost our production capability. For the growth of our business, it is imperative that we enhance our production capacities for us to strategise and ensure that we are able to manufacture higher quantities and are able to cater to the rising demand of our clients. Enhanced production capacities will give us leverage to work towards higher output and also will give us the bandwidth to reach out to more clients and cater to their requirements.

### ***More focus on Research & Development***

The Asia-Pacific region holds significant potential for development in terms of the most prospective countries. In India, beverage packaging has witnessed significant growth in recent years. The key factors that drive the market growth include the rapid changes in beverage packaging trends across the country. There has been significant adoption of novel techniques for packaging. New beverage packaging trends focus on the structure modification of packaging materials and the development of new active systems that can interact with the product or its environment, customer acceptability, security, and improving the conservation of several beverages. Based on the materials used in packaging, the market can be further divided into glass, plastic, paper, and metals, predominantly aluminum).

The beverage industry is very innovative and can adapt fast to new or changing consumer demands and trends, such as the move to healthier, fresher, and less processed foods, with short storage time. Innovation, such as developing new processing, separation, and packaging technologies, is key to Asian beverage packaging success. The market is expected to grow due to product expansion, launch, upgradation, sustainability, and more.

Beverage Packaging Market - Growth Rate by Region



Source: Mordor Intelligence



As a part of our strategy, we want to focus more towards our Research & Development (R&D) and work towards innovative ways to come up with new products as per the demand of the ever evolving and dynamic industry. Our R&D capabilities enable us to support our growth strategy by way of innovation and developing new products and processes which enhance our product range and to cater to the ever changing dynamic and diversified requirement. The focus of our R&D has been to strive for continuous process improvements and achieving manufacturing cost efficiencies for existing as well as new products.

Considering the imperative role of research and development facility for quality products in the segment of our industry, our strategy is to have initiative for strong R&D facility. Our strategy is to consistently work in the field of innovation for improving and upgrading the existing range of products and towards product efficacy and to ensure that we come up with more enhanced and better range of products as required by the diversified and ever demanding industry. With the growing change in the industry, we believe that identifying the need and the requirement of the customer, delivering the right blend of product and services at a competitive cost is our objective and will help us in our growth.

### ***Augmenting working capital requirement***

Our business operations require extensive amount of working capital. In order to increase our customer base, portfolio, production capacity and work towards R&D, it is imperative that we have enough liquidity of funds and sufficient working capital. For the growth of our business, it is imperative that we enhance our production capacities for us to strategise and ensure that we are able to manufacture higher quantities and are able to cater to the rising demand of our clients. Enhanced production capacities will give us leverage to work towards higher output and also will give us the bandwidth to reach out to more clients and cater to their requirements and for this we will require substantial amount of working capital. Having higher liquidity and working capital balance with us will allow us to exploit the opportunities in the market in a better and optimum manner. For further details of the proposed working capital requirements of the Company, kindly refer to the chapter titled “Objects of the Issue” of this DLOF.

### ***Hiring of trained personnel***

The growth of any business is highly dependent on its employee strength and similarly our growth depends on our employee strength. It is imperative that we have the right mix of skilled employee in our organisation to deliver the responsibilities as entrusted to them. The right blend of employee also motivates the entire organisation to work towards its growth goal and achieve the results. Our plan is to ensure that we work towards the growth of our organisation by hiring the right blend of man power having the right skill set and expertise that is required for our industry. The right blend of employee also motivates the entire organisation to work towards its growth goal and achieve the results. We will work towards recruiting and training our employees in the right manner so that they are up to date with the changes in the industry and are able to adapt to the requirement.

### **Description of our business**

Our Company was incorporated as Century 21st Portfolio Limited (“Company”) as a public limited company under the Companies Act, 1956 vide Certificate of Incorporation dated February 27, 1986 with Registrar of Companies (“RoC”) Delhi & Haryana, New Delhi bearing registration number 23476 of 1985-86 and received a Certificate for Commencement of Business on March 17, 1986 by RoC Delhi & Haryana. Thereafter, our Company’s place of registered office was changed from Delhi to Andhra Pradesh on December 13, 2008, which was certified by RoC Andhra Pradesh on January 15, 2009 and was shifted to 8-2-682/3/A&B, Suite No. 404, Mayfair Gardens, Road No.12, Banjara Hills, Hyderabad, Andhra Pradesh-500034. Subsequently, the name of the Company was changed from ‘Century 21st Portfolio Limited to ‘Arunjyoti Bio Ventures Limited ‘vide certificate dated January 12, 2015, issued by Registrar of Companies, Hyderabad, Telangana upon grant of fresh Certificate bearing Corporate Identification Number ‘L01400TG1986PLC062463’. The registered office of the Company was changed from 8-2-682/3/A&B, Suite No.404, Mayfair Gardens, Road No.12, Banjara Hills, Hyderabad, Andhra Pradesh-500034 to Plot No. 45, P & T Colony, Karkhana, Secunderabad – 500 009, Telangana, India with effect from May 26, 2014. Subsequently, the registered office of our Company was changed to Door No.1-98/1/JSIC/6F/604-B6th Floor, Jain Sadhguru Capital Park, Beside Image Gardens, Madhapur, Shaikpet, Hyderabad – 500081 Telangana, India with effect from March 21, 2023.

Our Company is a trusted co-packer of beverages for a multinational corporation (MNC). With a primary focus on quality and efficiency, we provide a range of varied co-packing services to meet the unique needs of our MNC customer. Our state-of-the-art facilities and highly skilled team enable us to efficiently and effectively co-pack a variety of beverages, including non-carbonated drinks, juices, energy drinks, and more for our customer as per their demand and specification. We have the capabilities to handle large-scale production runs, ensuring that our MNC partner's products are consistently delivered to market on time and to the highest standards. Efficiency and timely deliverable of services is one of our main motto. At our Company, we focus and understand the importance of maintaining the integrity of our MNC partner's brand and the demand. We work closely with them to ensure that our co-packing services align with their brand guidelines and quality requirements. We are committed to delivering products that meet our partner's exact specifications. As a co-packer for a multinational beverages corporation, we are committed to continuous growth and expansion to ensure that we serve our customers in a better manner and meet the evolving and dynamic needs of the market.

Details of installed Capacity and Capacity Utilisation of the two units located in Telangana and Andhra Pradesh for Fiscal 2023 and for period from April 01<sup>st</sup>, 2023 to 30<sup>th</sup> November, 2023 is given below:-

Fiscal 2023			For the period 01st April 2023 to November 30, 2023		
Installed Capacity (LPA)	Utilized Capacity (LPA)	% of utilised capacity to installed capacity	Installed Capacity (LPA)	Utilized Capacity (LPA)	% of utilised capacity to installed capacity
10,000	7,000	70.00	10,000	8,500	85

\*LPA-Liters Per annum

## Products

Our Company is engaged in the business of co-packer of beverages for a multinational corporation (MNC). We provide a range of varied co-packing services to meet the unique needs of our MNC customer. Our state-of-the-art facilities and highly skilled team enable us to efficiently and effectively co-pack a variety of beverages, including non-carbonated drinks, juices, energy drinks, and more for our customer as per their demand and specification.



## Raw Materials

### Pre - Closures



**Cups**



**Lid Rolls**



**Pre - Forms**



### ***Manufacturing Facility***

Our manufacturing facility is situated at:

- (a) (Unit 1) – Kallem, Jangaon, Telangana. Our plant is spread across 4 Acres where we have a built in plant of 60,000 Sq. ft which has 3 manufacturing lines.
- (b) (Unit 2) – Annadevarapeta, Kovvur, Andhra Pradesh: Our plant is spread across 3.2 Acres where we have a built in Plant of 60,000 Sq. ft which has 2 manufacturing lines.

### **Manufacturing Process**

#### **Water Line Process:**

Raw material selection: Water starts with the careful selection of high-quality copper, which is the primary material used in the manufacturing process.

Purification: The copper is then purified to remove any impurities and ensure that it meets the required quality standards.

Melting and casting: The purified copper is melted in a furnace and then cast into the desired shape, such as bottles or containers, using molds.

Annealing: The cast copper is then annealed, a process of heating and cooling to improve its strength and ductility.

Machining: The annealed copper is then machined to achieve the final shape and size of the product.

Polishing: The machined copper products are polished to achieve a smooth and shiny surface finish.

Quality control: Throughout the manufacturing process, strict quality control measures are implemented to ensure that the copper products meet the required standards for purity and safety.

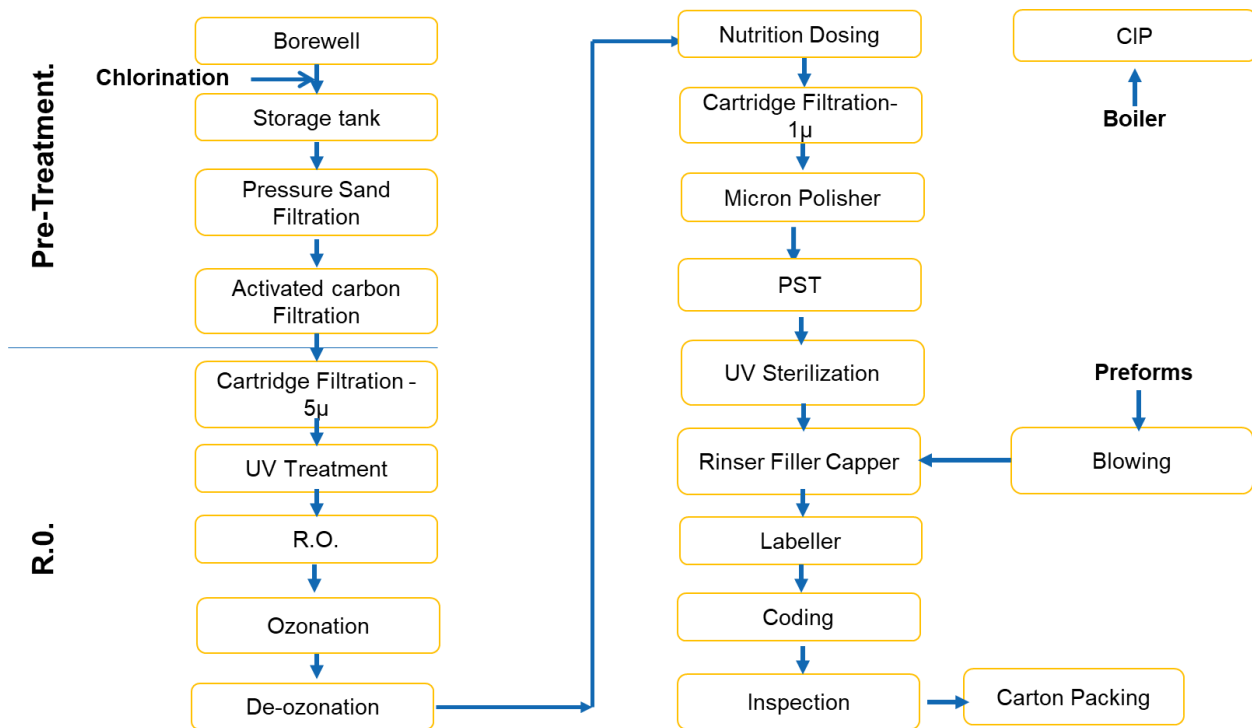
Water filling: Once the copper products are manufactured and quality checked, they are filled with purified water to create finished Water.

Packaging: The filled copper water bottles or containers are then packaged and labelled for distribution and sale.

Distribution: The finished Water products are then distributed to retailers and customers for consumption.

Overall, the manufacturing process for Water involves careful selection of raw materials, precise manufacturing techniques, and rigorous quality control measures to ensure the production of high-quality copper water products

### Water Line Manufacturing Process Chart:



### Juice Line Process:

**Raw material selection:** Juice Line starts with the careful selection of high-quality ingredients, including glucose, electrolytes, and other essential nutrients.

**Mixing:** The selected ingredients are mixed in a large mixing tank to create a homogeneous mixture.

**Heating:** The mixture is then heated to a specific temperature to ensure that the glucose is dissolved completely.

**Cooling:** Once the mixture is heated, it is cooled to the desired temperature.

**Quality control:** Throughout the manufacturing process, strict quality control measures are implemented to ensure that the product meets the required standards for purity and safety.

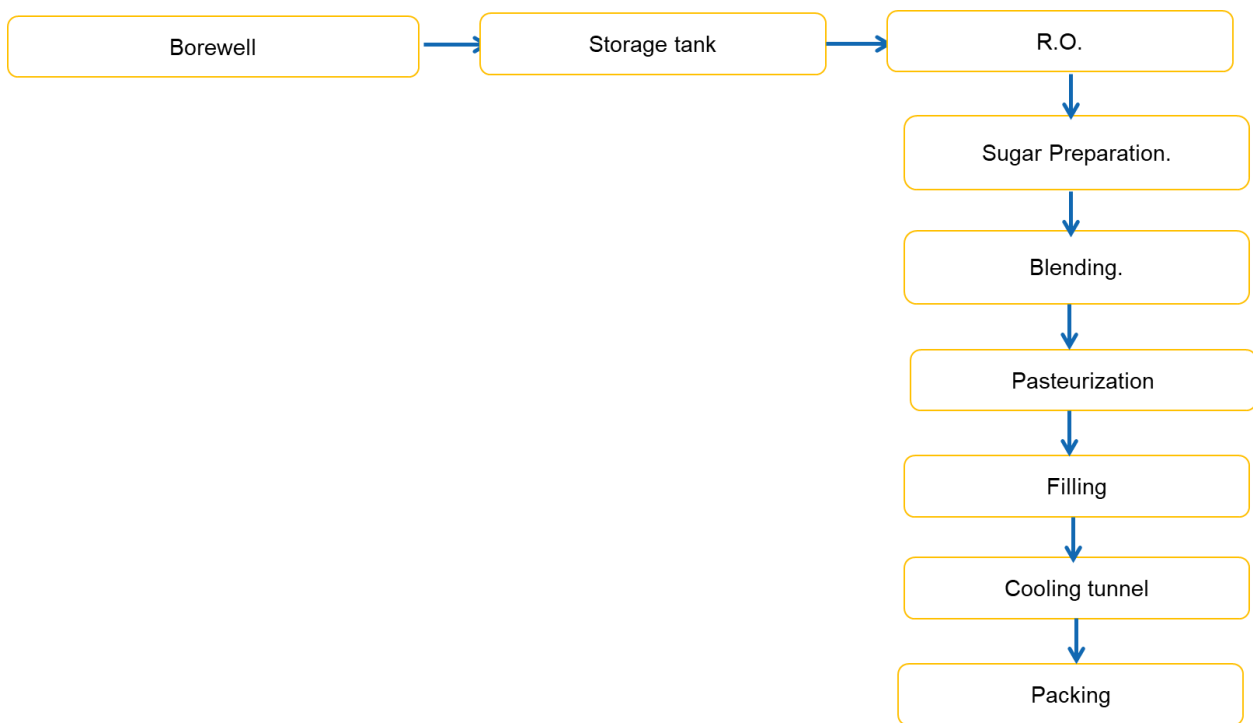
**Filling:** The cooled mixture is then filled into pre-sterilized cups.

**Packaging:** The filled cups are then packaged and labelled for distribution and sale.

**Distribution:** The finished Juice Line products are then distributed to retailers and customers for consumption.

Overall, the manufacturing process for Juice Line involves careful selection of raw materials, precise manufacturing techniques, and rigorous quality control measures to ensure the production of high-quality glucose-based energy drinks.

### Juice Line Manufacturing Process Chart:



Below are the details and pictures of machinery that we use for Water Line and Juice Line.

### PET Blowing Machine:



**Filling Machine:**



**Labelling Machine:**



**Shrink Wrap Machine:**



## Marketing and Promotion

### *Our Brand*

Our motive as an organisation is to establish a strong brand of our co packaging services in the beverage sector, which our clients can associate with trust and quality. We have a dedicated team of professionals focused completely on marketing of our product. As on we have 136 dedicated employees for the purpose of marketing and sales of our product.

### *Competition*

We face competition from various players in the co packaging sector. We believe that we are positioned to compete with our competitors due to the innovations, development and the quality of our products that we provide in our product portfolio. We have created a strong amount of faith and trust with our customers regarding our quality of product and the services that we provide.

### **Employees**

We have 136 employees working with us as on date. The following table provides a department wise breakdown of our employees:

Department	Employee
Head Office	19
Production Managers	4
Quality Team	16
Operators	56
Maintenance Executives	6
Logistics and Utilities Executives	35
<b>Grand Total</b>	<b>136</b>

We recruit employees through advertisements, recruitment agencies/portals, universities and colleges and also through employee referrals.

We have a probation system wherein we employ a person on a probationary basis before confirming the employment. We provide regular training to our employees to ensure that they are up to date and is experienced enough to handle the technicality of the production system.

Our sales staff undergo training at regular intervals to ensure they are maintaining our brand standards and our commitment to trust and quality along with ensuring that they market our brand and product in the right manner. We strive for synergy among technology, systems and human resources to provide products and services that meet the quality and price aspirations of our customers. Ours is a knowledge-based industry and with proper training and focus we can achieve the right growth in our business. We have a dedicated training facility, and we continuously conduct training programs for our various level of employees.

## **PROPERTIES**

Our Company does not own any property and operates out of leased premises, the details of which are set forth below:

**Lease properties**

Sr. No.	Details of the Property	Landlord/Lessor	Term of Lease	Details of the Agreement, Stamp Duty, Registration	Consideration/ Lease Rental/ License Fees, Premium (in ₹)	Use
1	Unit No 604 B, Jain Saduguru Capital Park, Beside Image Gardens, Madhapur, Hyderabad	Pabbathi Siva Ratna Mahalaxmi Prasanna and Pabbathi Dathvik	Tenure of 9 years subject to Renewal	Lease deed dated October 1, 2022 entered between Pabbathi Siva Ratna Mahalaxmi Prasanna and Pabbathi Dathvik and M/s. Arunjyoti Bio Ventures Limited for a period of 9 years	Lease rent to Smt. Pabbathi Siva Ratna Mahalaxmi Prasanna of Rs. 50,000/- per month and to Pabbathi Dathvik of Rs. 50,000/- per month	Business purpose

**Owned Properties**

Sr. No.	Details of the Property	Owners	Details of the Agreement, Stamp Duty, Registration	Consideration (in ₹)	Use
1	Admeasuring 2.17 Ac.Gts in kallem ,Lingala Ghanpur,Jangoan	Pabbathi Dathvik	Sale deed dated August 23, 2022 entered into between Pabbathi Dathvik and M/s. Arunjyoti Bio Ventures Limited	Amount of Rs. 10,91,025/- has been paid in consideration of Sale deed	Manufacturing plant/Business Operations
2	Admeasuring 3 Acres 53 cents situated at Annadevarapeta gram panchayat, Tallapudi mandal, West Godavari District	Chaparala Varun	Sale deed dated August 16,2022 entered into between Chaparala Varun and M/s. Arunjyoti Bio Ventures Limited	Amount of Rs. 35,30,000/- has been paid in consideration of Sale deed	Manufacturing plant/Business Operations

**Intellectual Property**

We have applied for/own certain trademarks. The details of the same is provided herein below:

SI. No	Trademark Name	Class	Application Number	Renewal Date
1.	ABVL	32	5889804	-

**Insurance:**

Our Company has obtained a Insurance of Rs. 3,345 Lakhs and Rs. 2560 Lakhs for the manufacturing plants situated at Kallem Lingala Ghanpur, Jangaon and Annadevarapeta gram panchayat, Tallapudi mandal, West Godavari District Respectively.

## OUR MANAGEMENT AND ORGANISATIONAL STRUCTURE

### BOARD OF DIRECTORS

As per the Articles of Association of our Company, we are required to have not less than 3 (three) Directors and not more than 15 (fifteen) Directors on its Board, subject to provisions of Section 149 of Companies Act, 2013. As on date of this Draft Letter of Offer, our Board consist of 6 (six) Directors, out of which [3] (Three) are Executive Director and [3] (three) are Non-Executive Independent Directors.

S. No.	Name of the Director	DIN	Designation
1.	Pabbathi Badari Narayana Murthy	01445523	Whole-Time Director
2.	Dathvik Pabbathi	09629913	Whole-Time Director
3.	Nadimpalli Vishal	02745303	Whole-Time Director and CFO
4.	Vijaya Rama Lakshamana Murthy Mylavarapu	07788466	Non – Executive Independent Director
5.	Guntaka Dhanalakshmi	09363100	Non – Executive Independent Director
6.	Ranga Srikar	02965183	Non – Executive Independent Director

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Draft Letter of Offer:

S. No.	Name, DIN, Date of Birth, Designation, Occupation, Address, Nationality and Term	Age	Other Directorship
1.	<b>Pabbathi Badari Narayana Murthy</b> <b>Designation:</b> Whole-Time Director <b>Address:</b> Flat no. 6B-500, Lodha Bellezza, KPHB Colony, 4th Phase, Kukatpally KPHB Colony, Medchal-Malkajgiri, Telangana-500072 <b>Date of Birth:</b> 03 <sup>rd</sup> December, 1972 <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> 3 years from date of appointment <b>Date of Appointment as Whole-Time Director:</b> November 10, 2022 <b>DIN:</b> 01445523	51	<ul style="list-style-type: none"> <li>○ MSRM International Trading Private Limited</li> <li>○ Pasura Xpress LLP</li> </ul>
2	<b>Dathvik Pabbathi</b> <b>Designation:</b> Whole-Time Director <b>Address:</b> Flat no. 6B-500, Lodha Bellezza, KPHB Colony, 4th Phase, Kukatpally KPHB Colony, Medchal-Malkajgiri, Telangana-500072 <b>Date of Birth:</b> 12 <sup>th</sup> February, 1999 <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> 3 years from date of appointment <b>Date of Appointment as Whole-Time Director:</b> November 10, 2022 <b>DIN:</b> 09629913	24	<ul style="list-style-type: none"> <li>○ Pasura Xpress LLP</li> <li>○ R R Pasura Constructions LLP</li> </ul>
3.	<b>Nadimpalli Vishal</b> <b>Designation:</b> Whole-Time Director and CFO <b>Address:</b> Flat No. 506, Pegasus B Wing, Meenakshi Sky Lounge, Hitex Road, Khanamet, Kothaguda K.V. Rangareddy, – 500084, Telangana <b>Date of Birth:</b> 14 <sup>th</sup> November, 1982 <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> 3 years from date of appointment	41	<ul style="list-style-type: none"> <li>○ Terre Ventures LLP</li> <li>○ Bedeck Woods Manufacturing LLP</li> </ul>

	<b>Date of Appointment as Whole-Time Director and CFO:</b> November 10, 2022  <b>DIN:</b> 02745303		
4.	<b>Vijaya Rama Lakshamana Murthy Mylavarapu</b> <b>Designation:</b> Non – Executive Independent Director <b>Address:</b> 401 Maheshwari Residency, R K Housing Colony, A S Rao Nagar, Secunderabad, Ecil, Hyderabad Telangana, India – 500062. <b>Date of Birth:</b> 02 <sup>nd</sup> January, 1960 <b>Occupation:</b> Self-Employed <b>Nationality:</b> Indian <b>Term:</b> 5 years from date of appointment <b>Date of Appointment as Non - Executive Independent Director:</b> November 10, 2022  <b>DIN:</b> 07788466	63	<ul style="list-style-type: none"> <li>○ Consocia Advisory Private Limited</li> </ul>
5.	<b>Guntaka Dhanalakshmi</b> <b>Designation:</b> Non – Executive Independent Director <b>Address:</b> 15-1-596, Nehru Nagar, Lane – 2, Macherla, Guntur – 522426, Andhra Pradesh <b>Date of Birth:</b> 15/03/1978 <b>Occupation:</b> Professional <b>Nationality:</b> Indian <b>Term:</b> 5 years from date of appointment <b>Date of Appointment as Non - Executive Independent Director:</b> November 10, 2022 <b>DIN:</b> 09363100	45	<ul style="list-style-type: none"> <li>○ Sigachi Industries Limited</li> </ul>
6.	<b>Ranga Srikar</b> <b>Designation:</b> Non – Executive Independent Director <b>Address:</b> 6-255, Shabu Nagar, Miryalaguda, Sanjay Nagar, Nalginda, Telangana, India-508207 <b>Date of Birth:</b> 14/06/1985 <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> 5 years from date of appointment <b>Date of Appointment as Non - Executive Independent Director:</b> November 10, 2022 <b>DIN:</b> 02965183	38	<ul style="list-style-type: none"> <li>○ Miryalguda Rice Industries Pvt Limited</li> <li>○ Srikar Rice And Solvent Industries Private Limited</li> <li>○ Miryalguda Chitfunds Private Limited</li> <li>○ RSV Rice Industries Private Limited</li> <li>○ Vagdevi Food Products Private Limited</li> <li>○ RSV Commodities Private Limited</li> <li>○ Poorna Sri Financial Services Private Limited</li> </ul>

#### **Brief profile of Directors:**

**Pabbathi Badari Narayana Murthy**, aged 51 years, is the Whole-time Director of our Company. He has been associated with the Company as a Director since November 10, 2022. He is matriculate by education. He has previously worked with MSMR International Private Limited and Papillon Market Innovators Private Limited. He handles overall operation of the company.

**Pabbathi Dathvik**, aged 24 years, is the Whole-time Director of our Company. He has been associated with the Company as a Director since November 10, 2022. He has completed his Bachelors in Business Administration graduation from Kalinga University. He handles Business Operations and HR Department.

**Nadimpalli Vishal**, aged 41 years, is the Whole-time Director and CFO of our Company. He has been associated with the Company as a Director since November 10, 2022. He has completed his Pg Diploma in Business Management (Marketing) from Wigan & Leigh College, United Kingdom. He has previously worked with Rajan Marketing Private Limited and Bedeck woods Private Limited. He handles finance and production Department of the Company.

**Vijaya Rama Lakshamana Murthy Mylavarapu**, aged 63 years, is the Non-Executive Independent Director of our Company. He has been associated with the Company as a Director since November 10, 2022. He holds the Degree of Doctor of Philosophy from Indian Institute of Technology, Kanpur. He has more than 33 years of experience.

**Guntaka Dhanalakshmi**, aged 45 years is a Non-Executive Independent Director of our Company. She holds a degree in Bachelor in Commerce and Masters in commerce from Nagarjuna University and is a qualified Chartered Accountant. She is Currently working with Sigachi Industries Limited.

**Ranga Srikar**, aged 38 years is a Non-Executive Independent Director of our Company. He holds a Degree of Bachelor of Engineering in Electronics and Communication Engineering from Anna University and Masters of Business Administration from University of Wales, New Port. He is currently working with Srikar Rice and Solvent Industries Private Limited.

**Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the stock exchanges and reasons for suspension.**

None of our Directors is/was a Director in any listed company during the last five years before the date of filing of this Draft Letter of offer, whose shares have been/were suspended from being traded on the any stock exchange.

**Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting.**

None of our Directors are currently or have been on the Board of Directors of a public listed company whose shares have been or were delisted from any stock exchange.

**Our Key Managerial Personnel**

In addition to our Whole-time Director, set forth below are the details of our Key Managerial Personnel as on the date of filing of this Draft Letter of Offer:

**Company Secretary and Compliance Officer**

Swati Jain

**Address:** Door No.1-98/1/JSIC/6F/604-B6th Floor,  
Jain Sadhguru Capital Park, Beside Image Gardens,  
Madhapur, Shaikpet, Hyderabad – 500081 Telangana, India  
**Telephone:** +91 93938 77777  
**E-mail:** cenport@gmail.com

**Chief Financial Officer**

Nadimpalli Vishal

**Address:** Door No.1-98/1/JSIC/6F/604-B6th Floor,  
Jain Sadhguru Capital Park, Beside Image Gardens,  
Madhapur, Shaikpet, Hyderabad – 500081 Telangana, India .  
**Telephone:** +91 900034 3689  
**E-mail:** cenport@gmail.com

**SENIOR MANAGEMENT AND KEY MANAGERIAL PERSONNEL**

Name of the Director	Designation	Date of Appointment
Pabbathi Badari Narayana Murthy	Whole-time Director	November 10, 2022
Dathvik Pabbathi	Whole-time Director	November 10, 2022
Nadimpalli Vishal	Chief Financial Officer	November 10, 2022
Swati Jain	Company Secretary	September 19, 2020

**Brief Profiles of our Senior Management And Key Managerial Personnel:**

In addition to our Whole-time Director named Pabbathi Badari Narayana Murthy, Dathvik Pabbathi Whole-time Director and Chief Executive Officer, Nadimpalli Vishal, whose details are provided in “-Brief Biographies of our Directors” on page 81 the details of our other Key Managerial Personnel in terms of the SEBI ICDR Regulations, as at the date of this Draft Letter of Offer, are set out below

**Swati Jain**, aged 36 years is a Company Secretary and Compliance Officer of our Company. She holds a degree in Master of Commerce from Janardan Rai Nagar Rajasthan Vidyapeeth University and is a qualified Company Secretary. She handles secretarial and compliance.

**Status of Key Managerial Personnel:**

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

**Retirement and Termination Benefits:**

Other than the statutory benefits that the Key Managerial Personnel are entitled to, upon their retirement, the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

**Relationship of Key Managerial Personnel with our Directors, Promoter and / or other Key Managerial Personnel:**

Except for Pabbathi Badari Narayana Murthy, Whole-time Director.and Dathvik Pabbathi, Whole-time Director and P S R Mahalakshmi prasanna who are related, none of the other Key managerial personnel are related to the Directors and / or other Key Managerial personnel of our Company

**Corporate Governance**

The provisions of the SEBI Listing Regulations and the Companies Act with respect to corporate governance are applicable to us. We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, Companies Act and the SEBI ICDR Regulations, in respect of corporate governance including 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 Board Committees, as required under 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. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

The following committees have been formed in compliance with the corporate governance norms:

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholders Relationship Committee

**A. Audit Committee:**

Our Company has constituted an audit committee ("Audit Committee"), as per the provisions of Section 177 of the Companies Act, 2013 and SEBI Listing Regulations.

The committee presently comprises following members:

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Guntaka Dhanalakshmi	Chairperson	Non-Executive Independent Director
2.	Ranga Srikar	Member	Non-Executive Independent Director
3.	Vijaya Rama Lakshamana Murthy Mylavarapu	Member	Non-Executive Independent Director

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

Brief Description of Terms of Reference: - Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.

- 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. Recommending the 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 before submission to the Board for approval with particular reference to;
  - (a) Matters required to be included in the directors' responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions;
  - (g) 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 utilization of proceeds of [public issue or rights issue or preferential issue or qualified institutional placement], and making appropriate recommendations to the board to take up steps in this matter;
- vii. Review 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 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 dividend) 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, the cost-benefits and the impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- xxiii. Carrying out any other function as may be referred to the Committee by the Board.
- xxiv. Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.

#### **B. Nomination & Remuneration Committee:**

The constitution of the committee is in compliance of Section 178 of the Companies Act, 2013, read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and Regulation 19 and Part D (Point A) of the Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Our Nomination and Remuneration Committee constitutes of the following members:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
1.	Vijaya Rama Lakshamana Murthy Mylavarapu	Chairperson	Non-Executive Independent Director
2.	Ranga Srikar	Member	Non-Executive Independent Director
3.	Guntaka Dhanalakshmi	Member	Non-Executive Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee.

#### **Brief description of terms of reference:**

The Nomination and Remuneration Committee ('NRC') functions in accordance with Section 178 of the Act, Regulation 19 of the Listing Regulations and its Charter adopted by the Board. The terms of reference of the NRC includes:

- 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:

- use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
  - Devising a policy on diversity of board of directors;
  - 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.
  - 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.
  - Recommend to the board, all remuneration, in whatever form, payable to senior management. Perform other activities related to the charter as requested by the Board from time to time.

### C. Stakeholder Relationship Committee:

Pursuant to Regulations 13 and 20 and Part-D of Schedule II of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 the Committee oversees and reviews the redressal of investors' grievances pertaining to transfer of shares and dematerialization, re-materialization, non-receipt of balance sheet, non-receipt of declared dividends, etc. The Company is in compliance with the SCORES, which has been initiated by SEBI for processing the investor complaints in a centralized web-based redressal system and online redressal of all the shareholders complaints.

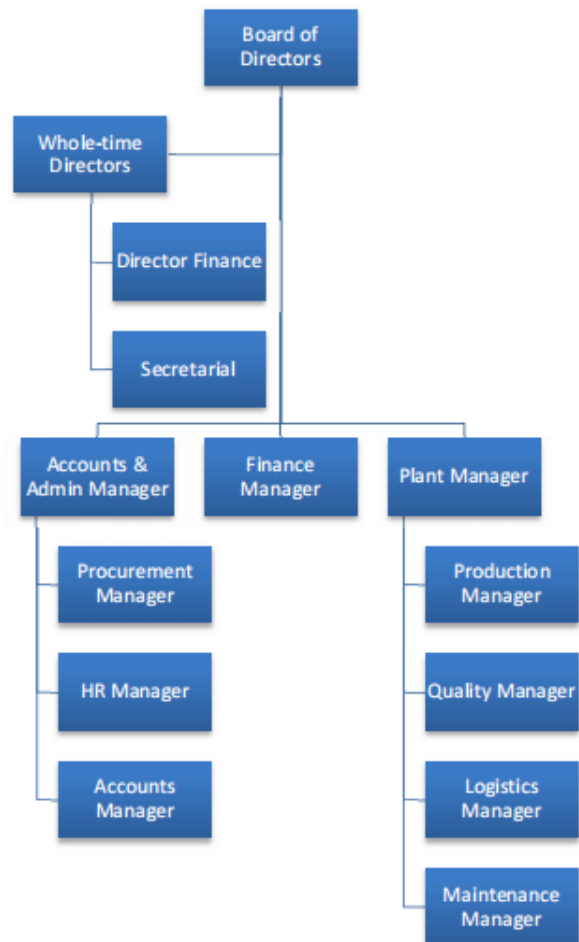
Our Stakeholders Relationship Committee constitutes of the following members:

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Guntaka Dhanalakshmi	Chairperson	Non-Executive Director
2.	Pabbathi Dathvik	Member	Whole-time Director
3.	Vijaya Rama Lakshamana Murthy Mylavarapu	Member	Non-Executive Independent Director

#### Brief description of terms of reference:

- i. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;
- iii. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- iv. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- v. Such other matter as may be specified by the Board from time to time.
- vi. Authority to review / investigate into any matter covered by Section 178 of the Companies Act, 2013 and matters specified in Part D of Schedule II of the Listing Regulations.

## MANAGEMENT ORGANISATION STRUCTURE



## **OUR PROMOTER**

Our Promoter of company is Pabbathi Badari Narayana Murthy, Dathvik Pabbathi and P S R Mahalakshmi prasanna. As on date of this Draft Letter of Offer, our Promoter holds such number of 10,14,190 Equity Shares of our Company constituting 48.97% percentage of our issued, subscribed and paid- up equity share capital of our Company

For further details of our Promoters Pabbathi Badari Narayana Murthy and Pabbathi Dathvik, please see the chapter titled “Our Management and Organisational Structure” on page 80 of this Draft Letter of Offer.

P S R Mahalakshmi prasanna aged 38 years is one of the Promoter of our Company. She has been a director in MSRM International Trading Private Limited since 2016 and a designated partner at Pasura Express LLP since 2022. Her Permanent Account Number is BAMPP6925L. As on the date of this Draft Letter of Offer P S R Mahalakshmi prasanna holds 1,10,056 Equity Shares representing 5.31% of the issued subscribed and paid-up Equity Share capital of our Company.

## **RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer page 115 of this Draft Letter of Offer.

## **DIVIDEND POLICY**

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant. The shareholders of our Company have the right to decrease not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. However, Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

Our Company has not declared and/or paid any dividend on equity shares since its incorporation.

**SECTION V - FINANCIAL INFORMATION**  
**RESTATED FINANCIAL STATEMENT**



Independent Auditors' Examination Report on Restated Financial Information

To,  
The Board of Directors

Dear Sirs,

1. We M/s V Ravi & Co., ("we" or "us") have examined the attached Restated Financial Information of Arunjyoti Bio Ventures Limited (the "**Company**" or the "**Issuer**"), comprising the Restated Statement of Assets and Liabilities as at 30 September 2023, 31 March 2023, 31 March 2022 and 31 March 2021, the Restated Statements of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity, the Restated Cash Flow Statement for the years ended 30 September 2023, 31 March 2023, 31 March 2022 and 31 March 2021, the Summary Statement of Significant Accounting Policies, and the other explanatory information (collectively, the "Restated Financial Information") as approved by the Board of Directors of the company at their meeting held on 02.01.2024 for the purpose of inclusion in the Draft Letter of Offer ("**DLOF**")/ Letter of Offer (referred to as "**Offer Document**") prepared by the company in connection with its proposed Rights Issue of equity shares prepared in terms of requirements of :

- section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act");
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- 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 Document to be filed with Securities and Exchange Board of India ("SEBI"), the BSE Limited ("BSE") (referred to as the "Stock Exchange"), and the Registrar of Companies, Telangana situated at Hyderabad "ROC") in connection with the proposed Rights Issue. The Restated Financial Information have been prepared by the management of the company on the basis of preparation stated in note 4 to the Restated Financial Information. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated financial information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Companies Act, 2013 (the "Act"), ICDR Regulations and the Guidance Note.

3. (i) We have examined such Restated Financial Information taking into consideration:

- The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 01.12.2023 in connection with the proposed Rights Issue of equity shares of the Company;

b. 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").

Head Office :

Gr Floor, 2-6-1071,  
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vraviandco.ca@gmail.com

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rajenderrao@gmail.com

10-3-239,  
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Karimnagar  
Telangana - 505 001  
Mobile : 99893 13399  
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1-7-900/A/61,  
Nandi Hills, Hunter Road  
Hanamkonda, Warangal Urban Dist.  
Telangana - 506 001  
Mobile : 99894 15638  
wglauditors@gmail.com




- requirements of the Code of Ethics issued by the ICAI;
- c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the Rights Issue.
4. These Restated Financial Information have been compiled by the management from:
- Audited Ind AS financial statements of the company as at 30 September, 2023 and for the years ended 31 March, 2023, and 31 March, 2022 and 31 March, 2021 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 30.10.2023.
5. The audit reports on the financial statements issued by us were not modified.
  6. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination report for the respective periods/years, we report that the Restated Financial Information
    - a. has been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively as at as at 30 September, 2023 and for the financial years ended 31 March, 2023, 2022 and 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at 31<sup>st</sup> March 2023.
    - b. do not require any adjustment for modification as there is no modification in the underlying audit reports; 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 the special purpose Ind AS financial statements and audited financial statements mentioned in paragraph 4 above.
  8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or the Previous Auditors nor should this report be construed as a new opinion on any of the financial statements referred to herein.
  9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.



11. Our report is intended solely for use of the Board of Directors for inclusion in the DLOF to be filed with Securities and Exchange Board of India, BSE Limited, Registrar of Companies, Telangana 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 V. Ravi & Co.,  
Chartered Accountants  
Firm Reg.No. 006492S

  
D. Ramesh Kumar  
Partner  
M.no:217139  
UDIN: 24217139BKBMEK1241  
Date:02/01/2024  
Place: Hyderabad.



Arunjyoti Bio Ventures Limited  
CIN NO: L01400TG1986PLC062463  
Plot No. 45, P & T Colony, Karkhana Secunderabad Hyderabad TG 500009 IN  
**Restated Statement of Assets and Liabilities**

	Particulars	Note No.	As at Sept 30, 2023 (Un-Audited)	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
<b>I</b>	<b>ASSETS</b>					
1	<b>Non-current assets</b>					
	(a) Property, plant and equipment	3	35,61,02,881	-	-	-
	(b) Right to use assets		-	-	-	-
	(c) Capital work in progress		-	19,18,72,076	-	-
	(d) Investment properties		-	-	-	-
	(e) Good will		-	-	-	-
	(f) Other intangible Assets		-	-	-	-
	(g) Intangible Assets under Development		-	-	-	-
	(h) Biological Assets other than Bearer Plants		-	-	-	-
	(d) Financial assets		-	-	-	-
	(i) Investments	4	-	-	-	-
	(ii) Trade receivables	5	-	-	-	-
	(iii) Loans	6	-	-	-	-
	(e) Deferred Tax Asset (Net)	7	-	1,04,627	1,04,627	1,49,71,192
	(f) Other non-current asset	8	-	-	-	-
	<b>Total non-current assets (A)</b>		<b>35,61,02,881</b>	<b>30,37,49,156</b>	<b>1,00,09,705</b>	<b>1,49,71,192</b>
2	<b>Current assets</b>					
	(a) Inventories	9	27,28,981	88,48,423	-	2,59,478
	(a) Financial assets		-	-	-	-
	(i) Investments	4	-	-	-	-
	(ii) Trade receivables	5	1,17,21,282	78,27,895	53,91,456	1,83,81,369
	(iii) Cash and cash equivalents	10	4,91,115	2,52,169	73,613	80,87,045
	(iv) Bank Balances other than (iii) above		-	-	-	-
	(b) Current Tax Asset (Net)	7	-	-	-	-
	(c) Other current assets	11	5,58,84,520	3,84,08,660	54,75,539	53,33,981
	<b>Total current assets (B)</b>		<b>7,08,25,898</b>	<b>5,53,37,147</b>	<b>1,09,40,608</b>	<b>3,20,61,873</b>
	Non Current Assets Classified as Held for Sale (C)	11.1	-	-	-	-
	<b>Total assets (A+B+C)</b>		<b>42,69,28,780</b>	<b>35,90,86,303</b>	<b>2,09,50,314</b>	<b>4,70,33,065</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>					
1	<b>Equity</b>					
	(a) Equity share capital	12	2,07,09,000	2,07,09,000	2,07,09,000	2,07,09,000
	(b) Other equity	12.1	(1,28,34,616)	4,45,857	(6,95,910)	(12,57,727)
	<b>Total equity (A)</b>		<b>78,74,384</b>	<b>2,11,54,857</b>	<b>2,00,13,090</b>	<b>1,94,51,273</b>
2	<b>Liabilities</b>					
(i)	<b>Non-current liabilities</b>					
	(a) Financial Liabilities					
	(i) Borrowings	13	41,52,94,508	32,27,17,790	-	-
	(ii) Trade Payables	14	-	-	-	-
	(iii) Other Financial Liabilities	15	-	-	-	-
	(b) Long term provisions	16	-	-	-	-
	(c) Deferred tax Liabilities(Net)	7	-	-	-	-
	(d) Other non Current Liabilities		-	-	-	-
	<b>Total non-current liabilities (B)</b>		<b>41,52,94,508</b>	<b>32,27,17,790</b>	<b>-</b>	<b>-</b>
(ii)	<b>Current liabilities</b>					
	(a) Financial liabilities					
	(i) Borrowings	13	-	-	-	-
	(ii) Trade payables	14	8,99,575	-	1,67,925	1,31,03,211
	(iii) Other financial liabilities	15	-	1,28,00,384	-	-
	(b) Short term provisions	16	-	-	2,39,838	2,39,838
	(c) Other current liabilities	17	22,85,626	24,13,272	5,29,461	1,42,38,743
	(d) Current Tax Liabilities (net)	7	5,74,687	-	-	-
	<b>Total current liabilities (C)</b>		<b>37,59,888</b>	<b>1,52,13,656</b>	<b>9,37,224</b>	<b>2,75,81,792</b>
	<b>Total liabilities (D=B+C)</b>		<b>41,90,54,396</b>	<b>33,79,31,446</b>	<b>9,37,224</b>	<b>2,75,81,792</b>
	<b>Total equity and liabilities (A+D)</b>		<b>42,69,28,780</b>	<b>35,90,86,303</b>	<b>2,09,50,314</b>	<b>4,70,33,065</b>

The notes are an integral part of the financial statements

As per our Report of even date

For V Ravi & Co.,

Chartered Accountants

Firm Reg No: 064925

Ramesh Kumar D

Partner

Membership No: 217139

UDIN: 24217139BKBMEK1241

Place: Hyderabad

Date : 02-01-2024

For and on behalf of the Board of Directors

Arunjyoti Bio Ventures Limited

Pabbathi Badari Narayana Murthy

Wholtime Director

DIN:01445523

Vishal Nadimpally

Wholtime Director Cum CFO

DIN:02745303

**Arunjyoti Bio Ventures Limited**  
CIN NO: L01400TG1986PLC062463  
Plot No. 45, P & T Colony, Karkhana Secunderabad Hyderabad TG 500009 IN  
**Restated Statement of Profit and Loss and Other Comprehensive Income**

	Note No.	For the year ended September 30, 2023 (Un-Audited)	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>I Continuing Operations</b>					
Revenue from operations	18	5,93,99,756	1,73,52,508	2,97,08,701	5,51,28,875
Other income	19	7,95,229	-	27,99,043	18,263
<b>III Net gain on de-recognition of financial assets at amortised cost</b>	20	-	-	-	-
<b>IV Net gain on reclassification of financial assets</b>	21	-	-	-	-
<b>V Total income</b>		<b>6,01,94,985</b>	<b>1,73,52,508</b>	<b>3,25,07,744</b>	<b>5,51,47,138</b>
<b>VI Expenses</b>					
(a) Cost of material Consumed	22	-	-	2,87,46,642	4,66,72,019
(b) Purchase of Stock in Trade		3,00,12,300	2,38,06,176	-	-
(c) Changes in stock of finished goods, work-in progress and stock-in-trade	23	61,19,442	(88,48,423)	-	-
(d) Direct Expenses	24	-	-	66,634	14,68,542
(e) Employee benefits	25	1,17,84,765	84,156	6,36,000	23,79,000
(f) Finance cost	26	57,64,927	49,856	9,862	15,704
(g) Depreciation expense	27	53,76,285	-	-	-
(h) Impairment expenses/losses		-	-	-	-
(i) Net loss on de-recognition of financial assets at amortized cost	20	-	-	-	-
(j) Net loss on reclassification of financial assets	21	-	-	-	-
(c) Other expenses	28	1,44,17,740	6,81,915	22,88,384	36,89,422
<b>Total expenses (VI)</b>		<b>7,34,75,458</b>	<b>1,57,73,680</b>	<b>3,17,47,522</b>	<b>5,42,24,686</b>
<b>VII Profit/(loss) before Share of profit/(loss) of associates / joint ventures, exceptional items and tax (V - VI)</b>		<b>(1,32,80,473)</b>	<b>15,78,828</b>	<b>7,60,222</b>	<b>9,22,452</b>
<b>VIII Share of profit/(loss) of associates</b>					
Share of profit/(loss) of joint ventures					
<b>IX Profit/(Loss) before exceptional items and tax</b>		<b>(1,32,80,473)</b>	<b>15,78,828</b>	<b>7,60,222</b>	<b>9,22,452</b>
<b>X Exceptional items</b>					
<b>XI Profit before Tax</b>		<b>(1,32,80,473)</b>	<b>15,78,828</b>	<b>7,60,222</b>	<b>9,22,452</b>
<b>XII Tax expense :</b>					
a. Current tax		-	4,10,495	1,97,657	2,39,838
b. Deferred tax		-	-	-	-
<b>XIII Profit/(loss) for the year from continuing operations (XI-XII)</b>		<b>(1,32,80,473)</b>	<b>11,68,333</b>	<b>5,62,565</b>	<b>6,82,614</b>
<b>XIV Discontinued Operations</b>					
Profit/(loss) from discontinued operations		-	-	-	-
Tax Expense of discontinued operations		-	-	-	-
<b>XV Profit/(loss) from discontinued operations (XIV +XV)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XVI Profit/(loss) for the year (XIII+XVI)</b>		<b>(1,32,80,473)</b>	<b>11,68,333</b>	<b>5,62,565</b>	<b>6,82,614</b>
<b>XVII Other comprehensive income(OCI)</b>					
<b>A (i) Items that will not be recycled to profit or loss</b>					
<b>B (i) Items that may be reclassified to profit or loss</b>					
<b>Total other comprehensive income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IX Total comprehensive income for the year (V+ VI)</b>		<b>(1,32,80,473)</b>	<b>11,68,333</b>	<b>5,62,565</b>	<b>6,82,614</b>
<b>X Earning per equity share (for Continuing Operations)</b>					
(i) Basic		(6.41)	0.56	0.27	0.33
(ii) Diluted.		(6.41)	0.56	0.27	0.33
<b>XI Earnings per equity share (for discontinued operation):</b>					
(i) Basic		-	-	-	-
(ii) Diluted.		-	-	-	-
<b>Earnings per equity share (for Continued and discontinued operation):</b>					
(i) Basic		(6.41)	0.56	0.27	0.33
(ii) Diluted.		(6.41)	0.56	0.27	0.33

The notes are an integral part of the financial statements

As per our Report of even date.

For V Ravi & Co.,

Chartered Accountants

Firm Reg No:0064928

Ramesh Kumar D

Partner

Membership No: 217139

UDIN: 24217139BKBMEK1241

Place: Hyderabad

Date : 02-01-2024

For and on behalf of the Board of Directors  
Arunjyoti Bio Ventures Limited

Pabbathi Badari Narayana Murthy  
Wholtime Director  
DIN:01445523

Vishal Nadimpally  
Wholtime Director Cum CFO  
DIN:02745303

Arunjyoti Bio Ventures Limited  
CIN NO: L01400TG1986PLC062463  
Plot No. 45, P & T Colony, Karkhana Secunderabad Hyderabad TG 500009 IN  
Restated Cash Flow Statement

	As at Sept 30, 2023 (Un-Audited)	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
<b>A CASH FROM OPERATING ACTIVITIES</b>				
(Loss)/Profit before tax and extraordinary items	(1,32,80,473)	15,78,828	7,60,222	9,22,451
<b>Adjustment for:</b>				
Income tax expense recognised in profit or loss	-	-	-	-
Finance costs recognised in profit or loss	-	-	-	-
Investment income recognised in profit or loss	-	-	-	-
Gain on disposal of property, plant and equipment	-	-	-	-
Gain on disposal of a subsidiary	-	-	-	-
Gain on disposal of interest in former associate	-	-	-	-
Net (gain)/loss recorded in profit or loss on financial liabilities designated as at fair value through profit or loss	-	-	-	-
Net (gain)/loss arising on financial assets mandatorily measured at fair value through profit or loss	-	-	-	-
Net loss/(gain) arising held for trading financial liabilities	-	-	-	-
Hedge ineffectiveness on cash flow hedges	-	-	-	-
Net (gain)/loss on disposal of available-for-sale financial assets	-	-	-	-
Impairment loss recognised on trade receivables	-	-	-	-
Reversal of impairment loss on trade receivables	-	-	-	-
Depreciation and amortisation of non-current assets	-	-	-	-
Transfers from Profit & Loss	-	-	-	-
Net foreign exchange (gain)/loss	-	-	-	-
Expense recognised in respect of equity-settled share-based payments	-	-	-	-
Expense recognised in respect of shares issued in exchange for goods/services	-	-	-	-
Amortisation of financial guarantee contracts	-	-	-	-
<b>Operating Profit before Working Capital Changes</b>	<b>(1,32,80,473)</b>	<b>15,78,828</b>	<b>7,60,222</b>	<b>9,22,451</b>
<b>Movement for Working Capital:</b>				
Increase in trade and other receivables	(38,93,387)	(24,36,439)	1,29,89,913	83,44,112
(Increase)/decrease in amounts due from customers under construction contracts	-	-	-	-
(Increase)/decrease in inventories	61,19,442	(88,48,423)	2,59,478	37,006
(Increase)/decrease in other assets	(3,02,76,244)	(2,01,32,737)	(1,41,558)	4,90,538
Decrease in trade and other payables	8,99,575	(1,67,925)	(1,29,35,286)	(87,39,028)
Increase/(decrease) in amounts due to customers under construction contracts	-	-	-	-
Increase/(decrease) in provisions	-	(2,39,838)	-	(12,022)
(Decrease)/increase in deferred revenue	-	-	-	-
(Decrease)/increase in other liabilities	4,47,041	14,46,750	(1,39,07,687)	(38,95,260)
<b>Changes in non current assets and Liabilities</b>				
Decrease/(Increase) in loans & advances	1,04,627	-	1,48,66,565	-
Decrease/(Increase) in Long Term Provisions	-	-	-	-
Decrease/(Increase) in Other non Current Assets	11,17,72,454	(10,18,67,375)	(99,05,079)	-
<b>Cash generated from operations</b>	<b>7,18,93,033</b>	<b>(13,06,67,158)</b>	<b>(80,13,432)</b>	<b>(28,52,203)</b>
- Income taxes paid	-	-	-	-
<b>Net Cash flow before extraordinary items</b>	<b>7,18,93,033</b>	<b>(13,06,67,158)</b>	<b>(80,13,432)</b>	<b>(31,16,666)</b>
- Extraordinary & Prior period items	-	-	-	-
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>7,18,93,033</b>	<b>(13,06,67,158)</b>	<b>(80,13,432)</b>	<b>(31,16,666)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Payments to acquire financial assets	-	-	-	-
Proceeds on sale of financial assets	-	-	-	-
Interest received	-	-	-	-
Royalties and other investment income received	-	-	-	-
Dividends received from associates	-	-	-	-
Other dividends received	-	-	-	-
Amounts advanced to related parties	-	-	-	-
Repayments by related parties	-	-	-	-
Payments for property, plant and equipment	(16,42,30,806)	(19,18,72,076)	-	-
Proceeds from disposal of property, plant and equipment	-	-	-	-
Payments for investment property	-	-	-	-
Proceeds from disposal of investment property	-	-	-	-
Payments for intangible assets	-	-	-	-
Net cash outflow on acquisition of subsidiaries	-	-	-	-
Net cash inflow on disposal of subsidiary	-	-	-	-
Net cash inflow on disposal of associate	-	-	-	-
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(16,42,30,806)</b>	<b>(19,18,72,076)</b>	<b>-</b>	<b>-</b>



C	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	Proceeds from issue of equity instruments of the Company	-	-	-	-
	Proceeds from issue of convertible notes	-	-	-	-
	Payment for share issue costs	-	-	-	-
	Payment for buy-back of shares	-	-	-	-
	Payment for share buy-back costs	-	-	-	-
	Proceeds from issue of redeemable preference shares	-	-	-	-
	Proceeds from issue of perpetual notes	-	-	-	-
	Payment for debt issue costs	-	-	-	-
	Proceeds from borrowings	9,25,76,718	32,27,17,790	-	-
	Proceeds from government loans	-	-	-	-
	Proceeds on disposal of partial interest in a subsidiary that does not involve loss of control	-	-	-	-
	Dividends paid on redeemable cumulative preference shares	-	-	-	-
	Dividends paid to owners of the Company	-	-	-	-
	Interest paid	-	-	-	-
	Long Term Provisions	-	-	-	-
	<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>9,25,76,718</b>	<b>32,27,17,790</b>		
	<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>2,38,946</b>	<b>1,78,556</b>	<b>(80,13,432)</b>	<b>(31,16,666)</b>
	<b>Cash and cash equivalents at the beginning of the year 1.04.2022</b>				
	Effects of exchange rate changes on the balance of cash held in foreign currencies	2,52,169	73,613	80,87,045	1,11,76,399
	<b>Cash and cash equivalents at the end of the year as on 31.03.2023</b>	<b>4,91,115</b>	<b>2,52,169</b>	<b>73,613</b>	<b>80,59,733</b>
	<b>Reconciliation of cash and cash equivalents as per the cash flow Statement</b>				
	Cash and cash equivalents (Note-10.1)	4,91,115	2,52,169	73,613	80,87,045
	Bank overdraft	-	-	-	-
	<b>Balance as per statement of cash flows</b>	<b>4,91,115</b>	<b>2,52,169</b>	<b>73,613</b>	<b>80,87,045</b>
	The notes are an integral part of the financial statements				
	As per our Report of even date				
	<b>For V Ravi &amp; Co.,</b>				
	Chartered Accountants				
	Firm Reg No:006492S				
	<b>Ramesh Kumar D</b>				
	Partner				
	Membership No: 217139				
	UDIN: 24217139BKBMEK1241				
	Place: Hyderabad				
	Date : 02-01-2024				

Arunjyoti Bio Ventures Limited						
Notes annexed to and forming part of the Financial Statements						
Note. 4: Investments						
S.No	Particulars	As at Sept 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021	
	<b>Non Current</b>					
1	Investments in quoted shares	-	-	-	-	
2	investment in unquoted shares of subsidiaries	-	-	-	-	
3	investment in Joint Ventures	-	-	-	-	
4	investment in Preference Shares	-	-	-	-	
5	Investment in partnerships	-	-	-	-	
	<b>Total</b>	-	-	-	-	
	<b>Current</b>					
1	Investments in quoted shares	-	-	-	-	
2	investment in unquoted shares of subsidiaries	-	-	-	-	
3	investment in Joint Ventures	-	-	-	-	
4	investment in Preference Shares	-	-	-	-	
5	Investment in partnerships	-	-	-	-	
	<b>Total</b>	-	-	-	-	
Note 5: Trade Receivables						
S.No	Particulars	As at Sept 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021	
	<b>Non Current</b>					
<b>A</b>	<b>Secured and considered good:</b>					
	-From Related party	-	-	-	-	
	-From Others	-	-	-	-	
<b>B</b>	<b>Unsecured and considered good:</b>					
	-From Related party	-	-	-	-	
	-From Others	-	-	-	-	
<b>C</b>	<b>Doubtful:</b>					
	-From Related party	-	-	-	-	
	-From Others	-	-	-	-	
	Less: allowance for doubtful debts	-	-	-	-	
	<b>Total</b>	-	-	-	-	
	<b>Current:</b>					
<b>A</b>	<b>Secured and considered good:</b>					
	-From Related party	-	-	-	-	
	-From Others	-	-	-	-	
<b>B</b>	<b>Unsecured and considered good:</b>					
	-From Related party	-	-	-	-	
	-From Others	1,17,21,282	78,27,895	53,91,456	1,83,81,369	
<b>C</b>	<b>Doubtful:</b>					
	-From Related party	-	-	-	-	
	-From Others	-	-	-	-	
	Less: allowance for doubtful debts	-	-	-	-	
	<b>Total</b>	1,17,21,282	78,27,895	53,91,456	1,83,81,369	



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Arunjyoti Bio Ventures Limited						
Note 6: Loans						
S.No	Particulars	As at Sept 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021	
	<b>Non Current:</b>					
A	<b>Loans :</b>					
1	To related parties	-	-	-	-	
2	to other boady corporate	-	-	-	-	
3	to employees	-	-	-	-	
4	Securirty Deposits:	-	1,04,627	1,04,627	1,49,71,192	
5	Less: allowances for Doubfull loans	-	-	-	-	
	<b>Total Loans</b>	-	<b>1,04,627</b>	<b>1,04,627</b>	<b>1,49,71,192</b>	
	<b>Notes:</b>					
1	Considered good	-	-	-	-	
2	Considered Doubt full, Provided:	-	-	-	-	
3	To related parties	-	-	-	-	
4	to other boady corporate	-	-	-	-	
5	to employees	-	-	-	-	
	<b>Total</b>	-	<b>1,04,627</b>	<b>1,04,627</b>	<b>1,49,71,192</b>	
	<b>Current:</b>					
A	<b>Loans :</b>					
1	To related parties	-	-	-	-	
2	to other boady corporate	-	-	-	-	
3	to employees	-	-	-	-	
4	Securirty Deposits:	-	-	-	-	
5	Less: allowances for Doubfull loans	-	-	-	-	
	<b>Total</b>	-	-	-	-	
	<b>Notes:</b>					
1	Considered good	-	-	-	-	
2	Considered Doubt full, Provided:	-	-	-	-	
3	To related parties	-	-	-	-	
4	to other boady corporate	-	-	-	-	
5	to employees	-	-	-	-	
Note 7: Income Taxes						
S.No	Particulars	As at Sept 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021	
	<b>a). Current Tax liability</b>					
	<b>Opening Balance</b>	-	-	-	-	
	Add: Current tax payable for the year	-	-	-	-	
	Less: Taxes Paid	-	-	-	-	
	<b>Closing balances</b>	-	-	-	-	
	<b>b). Current Tax Asset</b>					
	<b>Opening Balance</b>	-	-	-	-	
	Add: Taxes paid/TDS Receivable	5,74,687	-	-	-	
	Less: Current tax payable for the year	-	-	-	-	
	<b>Closing Balance</b>	5,74,687	-	-	-	



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<b>Arunjyoti Bio Ventures Limited</b>					
<b>c). Differed Tax Asset</b>					
	Differed tax Asset - (A)	-	-	-	-
	Provision for Employees	-	-	-	-
	Waranty Provisions	-	-	-	-
	Loss allowance on financial and Contract Assets	-	-	-	-
	Others	-	-	-	-
	<b>Sub Total (A)</b>	-	-	-	-
<b>Differred tax Liability- (B)</b>					
	on Written down value of fixed assets	-	-	-	-
	Others	-	-	-	-
	<b>Sub Total (B)</b>	-	-	-	-
	<b>Total (A-B)</b>	-	-	-	-
<b>Note 8: Other Non Current Assets</b>					
<b>S.No</b>	<b>Particulars</b>	<b>As at Sept 30, 2023</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>	<b>As at Mar 31, 2021</b>
<b>A</b>	<b>Other Non-Current Assets</b>				
	Capital Advances	-	11,17,72,453.63	-	-
	Advances other than capital advances	-	-	99,05,078.77	-
	<b>Security Deposits:</b>				
	Government Authorities - Electricity Dept	-	-	-	-
	— Advances to Related Parties	-	-	-	-
	— Other Advances	-	-	-	-
	<b>Others - unsecured</b>	-	-	-	-
	<b>Total of Other Non-current Assets</b>	-	11,17,72,454	99,05,079	-
<b>Note 9: Inventories</b>					
	<b>Particulars</b>	<b>As at Sept 30, 2023</b>	<b>As at Mar 31, 2023</b>	<b>As at Mar 31, 2022</b>	<b>As at Mar 31, 2021</b>
1	Raw Material	-	-	-	-
2	Packing Material	-	-	-	-
3	Work In Process	-	-	-	-
4	Finished Goods	27,28,981	88,48,423	2,59,478	2,59,478
5	Consumables & Stores and Spares	-	-	-	-
6	Property under Development	-	-	-	-
	<b>Total Inventories</b>	<b>27,28,981</b>	<b>88,48,423</b>	<b>2,59,478</b>	<b>2,59,478</b>
<b>Notes 9.1: Disclosure of Inventories pledged as security for liabilities as follows</b>					
<b>S.No</b>		<b>Carrying Amount Rs.</b>	<b>Carrying Amount Rs.</b>	<b>Carrying Amount Rs.</b>	<b>Carrying Amount Rs.</b>
<b>A</b>	<b>As at 31st March 2020</b>				
a	Raw Material				
b	Work In Process				
c	Finished Goods				
<b>B</b>	<b>As at 31st March 2019</b>				
a	Raw Material				
b	Work In Process				
c	Finished Goods				
009 IN	<b>Total Inventories</b>	-	-	-	-



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Arunjyoti Bio Ventures Limited					
Note 10: Cash and Cash Equivalents					
S.No	Particulars	As at Sept 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
1	Cash and Cash Equivalents (Note 10.1)	3,88,018	10,362	7,511	852
2	Bank Balances other than Cash and Cash Equivalents	1,03,097	2,41,807	66,102	80,86,193
	<b>Total Cash and Cash Equivalents</b>	<b>4,91,115</b>	<b>2,52,169</b>	<b>73,613</b>	<b>80,87,045</b>
<b>Notes:</b>					
1. In the Balance sheet Cash comprises cash and demand deposits.					
2. Cash equivalents are held for the purpose of short term cash commitments rather than for investment or other purpose					
Note 10.1: Cash and Cash Equivalents					
S.No	Particulars	As at Sept 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
	<b>Bank and Cash Balances</b>				
	<b>On Current Accounts:</b>				
1	SBI	-	-	-	-
2	Cheques/drafts on hand	-	-	-	-
3	Cash on hand	3,88,018	10,362	7,511	852
	<b>Total Cash and Cash Equivalents</b>	<b>3,88,018</b>	<b>10,362</b>	<b>7,511</b>	<b>852</b>
Note 11: Other Current Assets					
S.No	Particulars	As at Sept 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
	<b>Other Current Assets</b>				
1	<b>Capital Advances:</b>				
	Advances to Plant and Machinery	-	-	-	-
2	<b>Advances other than capital advances:</b>				
	MAT Credit Entitlement	2,66,990	2,66,990	-	-
3	Security Deposits	1	46,14,200	-	-
4	Advances to Related Parties	-	-	-	-
5	<b>Other Advances:</b>				
	GST Input	5,18,88,560	3,28,17,196	44,98,275	46,23,707
	Interest Receivable	-	-	-	-
	Advances to Employees	-	-	3,32,471	65,481
	Others	6,65,951	7,10,274	6,44,793	6,44,793
	<b>Total of Other current Assets</b>	<b>5,28,21,502</b>	<b>3,84,08,660</b>	<b>54,75,539</b>	<b>53,33,981</b>
Note 11.1: Non Current Assets Clasified as Held for Sale					
S.No	Particulars	As at Sept 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
	<b>Non-Curret Assets</b>				
1	Plant, Propety and Equipment	-	-	-	-
2	Others	-	-	-	-
	<b>Total Non Current Assets Clasified as Held for Sale</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



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**Arunjyoti Bio Ventures Limited**

Notes annexed to and forming part of the Financial Statements

**Note 12: Equity share capital**

**a. Equity share capital**

	As at Sep 30, 2023		As at Mar 31, 2023		As at Mar 31, 2022		As at Mar 31, 2021	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
<b>Authorised</b>								
Equity shares of Rs. 10 each	35,00,000	3,50,00,000	35,00,000	3,50,00,000	35,00,000	3,50,00,000	35,00,000	3,50,00,000
<b>Issued</b>								
Equity shares of Rs. 10 each	20,70,900	2,07,09,000	20,70,900	2,07,09,000	20,70,900	2,07,09,000	20,70,900	2,07,09,000
<b>Subscribed and Paid-up</b>								
Equity shares of Rs. 10 each fully paid-up	20,70,900	2,07,09,000	20,70,900	2,07,09,000	20,70,900	2,07,09,000	20,70,900	2,07,09,000
<b>Total</b>	<b>20,70,900</b>	<b>2,07,09,000</b>	<b>20,70,900</b>	<b>2,07,09,000</b>	<b>20,70,900</b>	<b>2,07,09,000</b>	<b>20,70,900</b>	<b>2,07,09,000</b>

\*2070900 shares of Rs. 10 each allotted as fully paid up pursuant to contract without payment being received in cash.

**b. Reconciliation of the number of equity shares outstanding and the amount of share capital**

	As at Sep 30, 2023		As at Mar 31, 2023		As at Mar 31, 2022		As at Mar 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Shares</b>								
<b>Issued and Subscribed:</b>								
Shares outstanding at the beginning of the year	20,70,900	2,07,09,000	Equity shares of Rs. 10 each	2,07,09,000	20,70,900	2,07,09,000	-	2,07,09,000
Add: Issued During the year for cash	-	-	-	-	-	-	-	-
Add: Shares issued at ESOP trust	-	-	-	-	-	-	-	-
Shares outstanding at the end of the year	<b>20,70,900</b>	<b>2,07,09,000</b>	<b>20,70,900</b>	<b>2,07,09,000</b>	<b>20,70,900</b>	<b>2,07,09,000</b>	<b>-</b>	<b>2,07,09,000</b>

**c. Terms / rights attached to equity Shares**

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

**d. Shares reserved for issue underwriter options**

**e. Detail of Rights Issues**

**f. details of shares held by Holding/Ultimate Holding Company**

**g. Details of shares issued for consideration other than cash**

**h. Shares in the company held by each shareholder holding more than 5 percent**

Name of the Shareholder	As at Sep 30, 2023		As at Mar 31, 2023		As at Mar 31, 2022		As at Mar 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
P B N Murthy	3,73,117	18.02%	3,73,117	18.02%				
P Dhathvik	5,31,017	25.64%	5,31,017	25.64%				
P S R M Lakshmi Prasanna	1,10,056	5.31%	1,10,056	5.31%				
P SRINIVASA RAO	-	0.00%	-	0.00%	1,25,815	6.08%	1,25,815	6.08%
P LRELA MADHURI DEVI	-	0.00%	-	0.00%	1,45,984	7.05%	1,45,984	7.05%
RAGHU RAM RENDUCHINTALA	-	0.00%	-	0.00%	2,05,954	9.95%	2,05,954	9.95%
PRAVEEN KUMAR PABBATHY	-	0.00%	-	0.00%	1,04,076	5.03%	1,04,076	5.03%

\*Includes 10 Equity shares of Rs. 10 each fully paid up held by nominee.

**Arunjyoti Bio Ventures Limited**

Notes annexed to and forming part of the Financial Statements

**Note 12: Equity share capital**
**a. Equity share capital**

	As at Sep 30, 2023		As at Mar 31, 2023		As at Mar 31, 2022		As at Mar 31, 2021	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
<b>Authorised</b>								
Equity shares of Rs. 10 each	35,00,000	3,50,00,000	35,00,000	3,50,00,000	35,00,000	3,50,00,000	35,00,000	3,50,00,000
<b>Issued</b>								
Equity shares of Rs. 10 each	20,70,900	2,07,09,000	20,70,900	2,07,09,000	20,70,900	2,07,09,000	20,70,900	2,07,09,000
<b>Subscribed and Paid-up</b>								
Equity shares of Rs. 10 each fully paid-up	20,70,900	2,07,09,000	20,70,900	2,07,09,000	20,70,900	2,07,09,000	20,70,900	2,07,09,000
<b>Total</b>	<b>20,70,900</b>	<b>2,07,09,000</b>	<b>20,70,900</b>	<b>2,07,09,000</b>	<b>20,70,900</b>	<b>2,07,09,000</b>	<b>20,70,900</b>	<b>2,07,09,000</b>

\*2070900 shares of Rs. 10 each allotted as fully paid up pursuant to contract without payment being received in cash.

**b. Reconciliation of the number of equity shares outstanding and the amount of share capital**

	As at Sep 30, 2023		As at Mar 31, 2023		As at Mar 31, 2022		As at Mar 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Shares</b>								
<b>Issued and Subscribed:</b>								
Shares outstanding at the beginning of the year	20,70,900	2,07,09,000	Equity shares of Rs. 10 each	2,07,09,000	20,70,900	2,07,09,000	-	2,07,09,000
Add: Issued During the year for cash	-	-	-	-	-	-	-	-
Add: Shares issued at ESOP trust	-	-	-	-	-	-	-	-
Shares outstanding at the end of the year	<b>20,70,900</b>	<b>2,07,09,000</b>	<b>20,70,900</b>	<b>2,07,09,000</b>	<b>20,70,900</b>	<b>2,07,09,000</b>	<b>-</b>	<b>2,07,09,000</b>

**c. Terms / rights attached to equity Shares**

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

**d. Shares reserved for issue underwriter options**
**e. Detail of Rights Issues**
**f. details of shares held by Holding/Ultimate Holding Company**
**g. Details of shares issued for consideration other than cash**
**h. Shares in the company held by each shareholder holding more than 5 percent**

Name of the Shareholder	As at Sep 30, 2023		As at Mar 31, 2023		As at Mar 31, 2022		As at Mar 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
P B N Murthy	3,73,117	18.02%	3,73,117	18.02%				
P Dhathvik	5,31,017	25.64%	5,31,017	25.64%				
P S R M Lakshmi Prasanna	1,10,056	5.31%	1,10,056	5.31%				
P SRINIVASA RAO	-	0.00%	-	0.00%	1,25,815	6.08%	1,25,815	6.08%
P LEELA MADHURI DEVI	-	0.00%	-	0.00%	1,45,984	7.05%	1,45,984	7.05%
RAGHU RAM RENDUCHINTALA	-	0.00%	-	0.00%	2,05,954	9.95%	2,05,954	9.95%
PRAVEEN KUMAR PABBATHY	-	0.00%	-	0.00%	1,04,076	5.03%	1,04,076	5.03%

\*Includes 10 Equity shares of Rs. 10 each fully paid up held by nominee.

Arunjyoti Bio Ventures Limited					
Note 14: Trade Payables					
S.No	Particulars	As at Sept 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
	<b>Non Current:</b>				
	<b>A Trade payables</b>				
	Dues to Micro, Small and Medium Enterprises	-	-	-	-
	Dues to other than Micro, Small and Medium Enterprises	-	-	-	-
	<b>Sub Total</b>	-	-	-	-
	<b>B Trade payables</b>				
	Dues to Micro, Small and Medium Enterprises	-	-	-	-
	Dues to other than Micro, Small and Medium Enterprises	-	-	-	-
	<b>Total</b>	-	-	-	-
	<b>Current:</b>				
	<b>A Trade payables</b>				
	Dues to Micro, Small and Medium Enterprises	-	-	-	-
	Dues to other than Micro, Small and Medium Enterprises	8,99,575	-	-	-
	<b>Sub Total</b>	-	-	-	-
	<b>B Trade payables</b>				
	Dues to Micro, Small and Medium Enterprises	-	-	-	-
	Dues to other than Micro, Small and Medium Enterprises	-	-	1,67,925	1,31,03,211
	<b>Total</b>	<b>8,99,575</b>	-	<b>1,67,925</b>	<b>1,31,03,211</b>
<b>Note:</b> Dues to micro and small enterprises - As per Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED' Act) This information has been determined to the extent such parties have been identified on the basis of information					
S.No	Particulars	As at Sept 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
	Principal amount remaining unpaid to any supplier as at the end of the year.	-	-	-	-
	Amount of interest due remaining unpaid to any supplier as at the end of the year	-	-	-	-
	Amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year.	-	-	-	-
	Amount of interest due and payable for the period of delay in making payment (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-	-	-
	Amount of interest accrued and remaining unpaid at the end of year.	-	-	-	-
	Amount of further interest remaining due and payable even in the succeeding year	-	-	-	-



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Arunjyoti Bio Ventures Limited						
Note 15: Other Financial Liabilities						
S.No		As at Sept 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021	
	<b>Non Current:</b>					
1	Investor enducation protection fund					
4	<b>Others:</b>					
i	Retention money for capital projects	-	-	-	-	
ii	Payble towards capital expenditure	-	-	-	-	
iii	Payble towards Services received	-	-	-	-	
iv	Payble towards other expenses	-	-	-	-	
v	Interest accrued but no due on borrow	-	-	-	-	
	<b>Total</b>					
	<b>Current</b>					
1	Current Maturities of Long Term Borrow	-	-	-	-	
2	Current Maturities of finance lease oblig	-	-	-	-	
3	Investor enducation protection fund	-	-	-	-	
4	<b>Others:</b>					
i	Retention money for capital projects	-	-	-	-	
ii	Payble towards capital expenditure	-	1,28,00,384	-	-	
iii	Payble towards Services received	-	-	-	-	
iv	Payble towards other expenses	-	-	-	-	
v	Interest accrued but no due on borrow	-	-	-	-	
	<b>Total</b>	-	1,28,00,384	-	-	
Note 16: Provisions						
S.No	Particulars	As at Sept 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021	
	<b>Non Current:</b>					
a).	Provision for Employee Bebefits					
	For Provident Fund	-	-	-	-	
	For gratuity	-	-	-	-	
	Provision for compensated absences	-	-	-	-	
b).	Others	-	-	-	-	
	Service Waranties	-	-	-	-	
	Statutory Dues	-	-	-	-	
	Legal Calims	-	-	-	-	
	<b>Total</b>	-	-	-	-	
	<b>Current:</b>					
a).	Provision for Employee Bebefits					
	For Provident Fund	-	-	-	-	
	For gratuity	-	-	-	-	
	Provision for compensated absences	-	-	-	-	
b).	Others	-	-	-	-	
	Service Waranties	-	-	-	-	
	Statutory Dues	-	-	2,39,838	2,39,838	
	Legal Calims	-	-	-	-	
	<b>Total</b>	-	-	2,39,838	2,39,838	



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Arunjyoti Bio Ventures Limited					
Note 17: Other current Liabilities					
S.No	Particulars	As at Sept 30, 2023	As at Mar 31, 2023	As at Mar 31, 2022	As at Mar 31, 2021
	a). Revenue Received in Advance				
	Advances From customers	13,36,432	13,36,432	-	-
	b). Other Payables				
	TDS Payable	26,384	25,416	34,984	10,436
	Income Tax Payable	6,50,333	6,50,333	1,97,657	-
	Service Tax Payable	-	-	-	-
	Listing fee, Custody Fee, Issuer Fee	-	-	-	-
	Provision for Employee Benefit Expense	-	67,500	-	-
	Other Expenses Payable	71,977	1,33,091	2,04,320	1,41,28,310
	Audit fee payable	2,00,500	2,00,500	92,500	1,00,000
	<b>Total</b>	<b>22,85,626</b>	<b>24,13,272</b>	<b>5,29,461</b>	<b>1,42,38,746</b>
Note 18: Revenue from operations					
	Particulars	For the year ended Sept 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
A	<b>Revenue from contracts with customers disaggregated based on nature of product or services</b>				
	<b>Revenue from Sale of Products</b>				
	a). Sale of Manufactured Goods	-	-	2,97,08,701	5,51,28,875
	b). Stock in Trade	3,58,39,711	1,73,52,508	-	-
	<b>Net Revenue</b>	<b>3,58,39,711</b>	<b>1,73,52,508</b>	<b>2,97,08,701</b>	<b>5,51,28,875</b>
	<b>Revenue from Sale Service</b>				
	a). Jobwork services	2,35,60,045	-	-	-
	b). Other Services	-	-	-	-
	<b>Sub total</b>	<b>2,35,60,045</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Other Operating Revenues</b>				
	a). Export Incentives	-	-	-	-
	b). Royalty Received	-	-	-	-
	From subsidiaries and associates	-	-	-	-
	From others	-	-	-	-
	c). Scrap Sale	-	-	-	-
	d). Others	-	-	-	-
	<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Revenue from Operations</b>	<b>5,93,99,756</b>	<b>1,73,52,508</b>	<b>2,97,08,701</b>	<b>5,51,28,875</b>



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<b>Arunjyoti Bio Ventures Limited</b>				
B	<b>Disaggregated revenue information</b>			
	<b>Revenue from contracts with customers disaggregated based on geography</b>			
	a). Domestic	-	-	-
	b).Export	-	-	-
		-	-	-
	<b>C)Reconciliation of Gross Revenue from Contracts With Customers</b>			
	Gross Revenue	-	-	-
	Less: Discount			
	Less: Returns			
	Less: Price Concession			
	Less: Incentives and performance bonus			
	Less: Goods and Service Tax	-	-	-
	Net Revenue recognised from Contract	-	-	-

C1 Terms conditions on performance warranty  
C2 Credit period  
C3 The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

**Note 19: Other Income**

Particulars	For the year ended Sept 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Interest income</b>				
a).Financial assets mandatorily measured at fair value through profit or loss	-	-	-	-
b). Interest income on financial assets fair valued through other comprehensive income	-	-	-	-
-Non Convertible debentures	-	-	-	-
c). Financial assets carried at amortised cost	-	-	-	-
Tax free bonds and government deposits	-	-	-	-
Deposits with banks and others	-	-	-	-
<b>Sub total (i)</b>	-	-	-	-



<b>Arunjyoti Bio Ventures Limited</b>					
<b>Other Income</b>					
<b>Dividend Income</b>					
a).Investments mandatorily measured at fair value through profit or loss	-	-	-	-	-
b).Equity investment designated at fair value through other comprehensive income	-	-	-	-	-
<b>Sub total (ii)</b>	-	-	-	-	-
Unwinding of discount on security de	-	-	-	-	-
Government grants (iv)	-	-	-	-	-
Foreign Exchange Loss/Gain (v)	-	-	-	-	15,376
Discount Received(vi)	-	-	27,99,043	-	2,887
Other Income (vi)	7,95,229	-	-	-	-
<b>Total(i+ii+iii+iv+v+vi)</b>	<b>7,95,229</b>	<b>-</b>	<b>27,99,043</b>	<b>-</b>	<b>18,263</b>
<b>Note 20: Net gain/(Loss) on de-recognition of financial assets at amortised cost</b>					
<b>Particulars</b>	<b>For the year ended Sept 30, 2023</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>	
Profit on sale of land and buildings	-	-	-	-	
Written off of liability	-	-	-	-	
<b>Total Gain</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Note 21: Net gain/(Loss) on reclassification of financial assets</b>					
<b>Deposits with banks and other</b>	<b>For the year ended Sept 30, 2023</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>	
Profit on sale of land and buildings	-	-	-	-	
Written off of liability	-	-	-	-	
<b>Total Gain</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Note 22: Cost of Material Consumed</b>					
<b>Particulars</b>	<b>For the year ended Sept 30, 2023</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>	
<b>A. Raw Material Consumed</b>					
Raw materials at the beginning of the	-	-	2,59,478	2,96,484	
Add: Purchases During the year	-	-	2,84,87,164	4,66,35,013	
Less: Raw materials at the end of the year	-	-	-	2,59,478	
<b>Total cost of raw material consumed</b>	<b>-</b>	<b>-</b>	<b>2,87,46,642</b>	<b>4,66,72,019</b>	
(Write down value of inventories Rs.0 and written down value of material due to obsolescence Rs.0 these amount included in the cost material)					
<b>B). Packing Material</b>					
Packing materials at the beginning of	-	-	-	-	
Add : Purchases During the year	-	-	-	-	
Less: Packing materials at the end of	-	-	-	-	
<b>Total cost of packing materials consumed</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total cost of Materials consumed</b>	<b>-</b>	<b>-</b>	<b>2,87,46,642</b>	<b>4,66,72,019</b>	



Arunjyoti Bio Ventures Limited					
Note 23: Changes in inventories of finished goods, work-in-progress and stock-in-trade					
	Particulars	For the year ended Sept 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	Opening Balance	-	-	-	-
	Finished Goods	88,48,423	-	-	-
	Work in Progress	-	-	-	-
	Stock in Trade (Including Goods in Trade)	-	-	-	-
	Spares and Consumables	-	-	-	-
	<b>Total Opening Balances</b>	<b>88,48,423</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Closing Balance</b>				
	Finished Goods	27,28,981	88,48,423	-	-
	Work in Progress	-	-	-	-
	Stock in Trade (Including Goods in Trade)	-	-	-	-
	Spares and Consumables	-	-	-	-
	<b>Total Closing Balance</b>	<b>27,28,981</b>	<b>88,48,423</b>	<b>-</b>	<b>-</b>
	<b>Total Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>	<b>61,19,442</b>	<b>(88,48,423)</b>	<b>-</b>	<b>-</b>
Note 24: Direct Expenses					
	Particulars	For the year ended Sept 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	Custom Duty	-	-	66,634	14,68,542
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>66,634</b>	<b>14,68,542</b>
Note 25 Employee Benefits					
	Particulars	For the year ended Sept 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	Managerial Remuneration	-	-	1,50,000	6,00,000
	Salaries, Wages, Bonus etc.	1,11,19,836	84,156	4,86,000	17,79,000
	Contribution to P.F, E.S.I and Other	-	-	-	-
	Employee share based payment expense	-	-	-	-
	Gratuity	-	-	-	-
	Leave compensation	-	-	-	-
	Post-employment pension benefits	-	-	-	-
	Post-employment medical benefits	-	-	-	-
	Staff welfare expenses	6,64,929	-	-	-
	<b>Total Employee benefits</b>	<b>1,17,84,765</b>	<b>84,156</b>	<b>6,36,000</b>	<b>23,79,000</b>




Arunjyoti Bio Ventures Limited					
Note 26: Finance Cost					
	Particulars	For the year ended Sept 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	<b>Interest and finance charges on financial liabilities carried at amortised cost</b>				
	a). Interest on Bank Borrowings	57,58,434	-	-	-
	b). Interest on Bill Discount	-	-	-	-
	c). Other Interest Expenses	6,493	49,856	9,862	15,704
	Less: Amount Capitalised				
	<b>Total Interest on financial liabilities carried at amortised cost</b>	<b>57,64,927</b>	<b>49,856</b>	<b>9,862</b>	<b>15,704</b>
	Interest on Trade payables (as per MSM)	-	-	-	-
	Interest on delayed payment of statutory dues	-	-	-	-
	Unwinding of discount on provision	-	-	-	-
	Exchange difference regarded as adjustment to borrowing costs	-	-	-	-
	Dividend on redeemable preference shares (including dividend distribution tax)	-	-	-	-
	<b>Total Finance Cost</b>	<b>57,64,927</b>	<b>49,856</b>	<b>9,862</b>	<b>15,704</b>
Note 27 Depreciation and Amortisation Expenses					
	Particulars	For the year ended Sept 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	Depreciation on plant, property and equipment	-	-	-	-
	Depreciation on Investment properties	-	-	-	-
	Amortisation on Intangible assets	-	-	-	-
	<b>Total depreciation and Amortisation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



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Arunjyoti Bio Ventures Limited					
Note 28: Other expenses					
	Particulars	For the year ended Sept 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	Audit Fees	-	1,00,000	1,00,000	1,00,000
	Advertisement & Business Promotions	48,338	-	22,360	33,800
	Insurance Charges	25,553	-	-	5,901
	Factory Spares, Repairs & Maintenance	30,27,736	-	-	-
	Share Holders Service & Maintenance Charges	-	65,232	63,649	53,711
	Stock Exchange Listing Charges	3,53,320	3,35,400	3,17,700	3,75,028
	Travelling & Conveyance Expenses	12,62,125	-	-	-
	ROC Charges	-	40,000	-	-
	Printing & Stationery	84,710	8,291	14,000	15,500
	Rent	14,080	-	-	-
	Communication & Postage	3,39,153	36,841	-	1,967
	Freight, Packing, Hamali Charges	7,23,850	-	11,56,922	22,12,846
	Other General Expenses	-	-	18,274	-
	Import Expenses	-	-	49,863	2,62,828
	Electricity & Heating Charges	76,41,016	-	-	-
	Commission/Brokerage charges	-	-	-	-
	Office & Ware house Maintenance	3,39,018	69,207	-	-
	CST & VAT Paid	-	-	2,87,337	-
	Professional and Consultancy	5,58,842	-	1,71,000	2,38,750
	Turnover Discount	-	-	-	-
	Interest on TDS & Income Tax	-	23,519	792	43,176
	Rates & Taxes	-	3,425	86,487	3,15,915
	TA & DA Expenses	-	-	-	30,000
	<b>Total</b>	<b>1,44,17,740</b>	<b>6,81,915</b>	<b>22,88,384</b>	<b>36,89,422</b>
28.1 Payment to Auditors					
	Particulars	For the year ended Sept 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	As An Auditor				
	- Audit Fees	-	1,00,000	1,00,000	1,00,000
	- Tax Audit	-	-	-	-
	- Limited Review	-	-	-	-
	In Other Capacity				
	- Taxation Matters	-	-	-	-
	- Company Law matters	-	-	-	-
	- Certification matters	-	-	-	-
	- Reimbursement of Expenses	-	-	-	-
	<b>Total Payment to Auditor</b>	<b>-</b>	<b>1,00,000</b>	<b>1,00,000</b>	<b>1,00,000</b>



Arunjyoti Bio Ventures Limited					
28.2 Corporate Social Responsibility( CSR) Not Applicable to this period					
	Particulars	For the year ended Sept 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	Amount required to be spent as per Section 135 of the Companies Act, 2013	-	-	-	-
	Amount spent during the year on:	-	-	-	-



Debtor Turnover Ratio	Sales/Average Debtors	Sales	5,93,99,756.39	1,73,52,507.50	2,97,08,700.60	5,51,28,875.00
		Opening Debtors	78,27,895.14	2,67,25,480.70	1,83,81,369.00	2,67,25,480.70
		Closing debtors	1,17,21,282.44	78,27,895.14	53,91,456.31	1,83,81,369.00
		Average debtors	97,74,588.79	1,72,76,687.92	1,18,86,412.66	2,25,53,424.85
		Ratio	6.08	1.00	2.50	2.44

Stock Turnover Ratio	Sal/Average Stock	COGS	1,17,84,764.70	84,156.00	2,94,49,276.01	5,05,19,560.50
		Opening Stock	2,59,478.30	2,96,484.00	2,59,478.30	2,96,484.00
		Closing Stock	27,28,981.00	88,48,423.00	-	2,59,478.00
		Average Stock	14,94,229.65	45,72,453.50	1,29,739.15	2,77,981.00
		Ratio	7.89	0.02	226.99	181.74

Debt Equity Ratio	Total Liabilities/Shareholders funds	Non current Liabilities	415294508	322717790	0	0
		Current Liabilities	3759887.75	15213656.2	937223.78	27581792
		Shareholders ratio	13250668.81	21154856.72	20013089.76	19451273
		Ratio	0.28	0.72	0.05	1.42

Net asset Value		Total Assets	432305064.9	359086303	20950313.7	47033065
		Less good will	0	0	0	0
			432305064.9	359086303	20950313.7	47033065
		Total External Laibili	419054395.8	337931446.2	937223.78	27581792
		NAV	13250669.14	21154856.81	20013089.92	19451273

EBITDA			-2139261.12	1628683.96	770083.65	938155.5
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**Related Party Transactions:**

List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures (Amount in Lakhs)

Nature of Relationship	Name of the Related Parties
Key Managerial Persons	Pabbathi Badari Narayana Murthy Dathvik Pabbathi Nadimpalli Vishal Swati Jain

**Related Party transactions details:**

Particulars	For the six months ended 30 <sup>th</sup> September, 2023	For the year ended 31 <sup>st</sup> March, 2023	For the year ended 31 <sup>st</sup> March, 2022	For the year ended 31 <sup>st</sup> March, 2021
<b>Managerial Remuneration to KMP</b>				
Pabbathi Badari Narayana Murthy	-	-	-	-
Dathvik Pabbathi	-	-	-	-
Nadimpalli Vishal	-	-	-	-
Swati Jain	1.26	2.52	2.52	-
<b>Total</b>	<b>1.26</b>	<b>2.52</b>	<b>2.52</b>	<b>-</b>
<b>Lease Rent Paid towards Registered /Corporate Office</b>				
Pabbathi Siva Ratna Mahalaxmi Prasanna	-	-	-	-
Pabbathi Dathvik	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



Loan obtained from Directors or related parties				
Pabbathi Badari Narayana Murthy	1459.79	306.30	-	-
Dathvik Pabbathi	434.55	10.00	-	-
Ponnuru Siva Ratna Maha Lakshmi Prasanna	112.31	23.00	-	-
Total	2006.66	339.30	-	-
Loan Repaid	-	-	-	-
Total	-	-	-	-
Purchases and Sales to Other Related Parties	-	-	-	-
Total	-	-	-	-



## ACCOUNTING RATIOS

The Following tables present certain Key Accounting Ratios computed on the basis of amounts derived from the Restated Financial Statements for the six month period ended 30<sup>th</sup> September, 2023 and for the year ended March 31, 2023

Particulars	Six months ended September 30, 2023#	Audited Financial for the year ended March 31, 2023
Earnings Per Share (EPS) (Basic and Diluted) (₹)	(6.41)	0.56
Return on Net Worth (%)	(168.66)	5.52
Net Asset Value per Share (₹)	3.80	10.21
EBITDA (₹ in Lakhs)	(29.35)	16.29

# Not Annualised

### Formula:

- Earnings Per Share (₹):** Net Profit/(Loss) after tax for the year attributable to Equity Shareholders divided by weighted average number of equity shares outstanding during the period.
- Return on Net Worth (%):** Net Profit/(Loss) after tax for the year attributable to Equity Shareholders divided by Net Worth at the end of the period multiplied by 100.
- Net Asset Value Per Equity Share (₹):** Net worth as at the year end/ period end divided by total number of equity shares outstanding at the end of the period.
- EBITDA (₹ in Lakhs):** Profit before/(Loss) before tax expenses, plus finance costs plus depreciation and amortisation expense less Other Income.
- EBITDA (%):** [EBITDA/ (revenue from operations)] \* 100

## CAPITALISATION STATEMENT

The following table sets forth the capitalisation statement as of September 30, 2023, on the basis of our Restated Financial Information and financial records as derived from the books of accounts, and as adjusted for the Issue. This table should be read in conjunction with "Risk Factors", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", on pages 20, 91 and 121, respectively

( ₹ in Lakhs)

Particulars	Pre-Issue as of September 30, 2023	As adjusted for the Issue <sup>^</sup>
<b>Total Borrowings</b>		
Non-current borrowings	4,152.95	[.]
Current borrowings	-	[.]
<b>Total Borrowings (A)</b>	<b>4,152.95</b>	[.]
<b>Total Equity</b>		
Equity Share Capital*	207.09	[.]
Other Equity*#	(128.35)	[.]
<b>Total Equity (B)</b>	<b>78.74</b>	[.]
Ratio: Total Borrowings (A)/ Total Equity (B)	<b>52.74</b>	[.]

**Note:**

\* These terms shall carry the meaning as per Schedule III of the Companies Act, 2013 (as amended).

# It has not been adjusted for the estimated issue expenses.

<sup>^</sup> to be updated at stage of Letter Of Offer

## MARKET PRICE INFORMATION

The Equity Shares are listed on the BSE. The Rights Equity Shares will be listed on BSE pursuant to the Issue. For further details, please see “Terms of the Issue” beginning on page 136 of this Draft Letter of Offer. We have received in-principle approval for listing of the Rights Equity Shares on the Stock Exchange to be issued pursuant to the Issue from the BSE by letter dated [●]. Our Company will also make an application to BSE to obtain the trading approval from BSE for the Rights Entitlements as required under the SEBI Rights Issue Circular

For the purpose of this section, unless otherwise specified:

- a) Year is a Financial Year;
- b) Average price is the average of the daily closing prices of our 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 our Equity Shares, for the year, the month, or the week, 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.

The following table sets forth the high, low and average market prices of the Equity Shares recorded on the BSE during the preceding three years and the number of the Equity Shares traded on the days of the high and low prices were recorded.

BSE							
FY	High (₹)	Date of high	Volume on date of high (No. of Equity Shares)	Low (₹)	Date of low	Volume on date of low (No. of Equity Shares)	Average (₹)
2023	191.95	March 29, 2023	3,889	19.60	June 24, 2022	34	84.05
2022	34.55	July 14, 2021	11,491	7.00	April 08, 2021	1	18.59
2021	8.70	June 4, 2020	2	6.54	March 18, 2021	2	7.40

(Source: [www.bseindia.com](http://www.bseindia.com))

The total number of days trading during the past six months was 112 days. The average volume of Equity Shares traded on the BSE was 3528 Equity Shares per day.

The high and low prices and volume of Equity Shares traded on the respective date on the BSE during the last six months preceding the date of filing of this Draft Letter of Offer are as follows:

BSE							
Month	Date of high	High (₹)	Volume on date of high (No. of Equity Shares)	Date of low	Low (₹)	Volume on date of low (No. of Equity Shares)	Average (₹)
December 2023	December 28,2023	221.6	238	December 20,2023	197.65	1041	211
November, 2023	November 16, 2023	253.5	738	November 2, 2023	169.05	2425	215.15
October, 2023	October 11, 2023	200.00	14121	October 26, 2023	166.00	2575	184.95
September, 2023	September 29, 2023	184.15	20,475	September 04, 2023	135.05	53	157.81
August, 2023	August 2, 2023	150.00	31	August 29, 2023	128.35	561	141.20
July, 2023	July 18, 2023	173.80	6503	July 12, 2023	132.60	15996	153.65

(Source: [www.bseindia.com](http://www.bseindia.com))

The Board of our Company has approved the Issue at their meeting held on October 31, 2023. The high and low prices of our Company's shares are ₹ 189.90 and ₹ 177.85 respectively as quoted on the BSE on November 01, 2023, the day on which the trading happened immediately following the date of the Board meeting. The volume of Equity Shares traded as on the day on the BSE was 1,953 Equity Shares.(Source: [www.bseindia.com](http://www.bseindia.com))

The closing market price of the Equity Shares as on one day prior to the date of the Draft Letter of Offer was ₹ 289.80on the BSE. The Issue Price is ₹ 20.00 per Rights Equity Share.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with Restated Financial Statements for six months period ended September 30, 2023 and for Fiscal 2023, Fiscal 2022 & Fiscal 2021 included in this Draft Letter of Offer. Our Restated Financial Statements for six months period ended September 30, 2023 and for Fiscal 2023, Fiscal 2022 & Fiscal 2021, are prepared in accordance with Ind AS. Unless otherwise stated, the financial information used in this chapter is derived from the Restated Financial Statements*

*Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.*

*In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers ARUNJYOTI BIO VENTURES LIMITED, our Company. Unless otherwise indicated, financial information included herein are based on our “Restated Financial Statements” for the period ended on September 30, 2023 and Financial Years 2023,2022 and 2021 included in this draft letter of offer beginning on page 91 of this Draft Letter of Offer.*

*Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be “Forward Looking Statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.*

### BUSINESS OVERVIEW

Our Company was incorporated as Century 21st Portfolio Limited (“Company”) as a public limited company under the Companies Act, 1956 vide Certificate of Incorporation dated February 27, 1986 with Registrar of Companies (“RoC”) Delhi & Haryana, New Delhi bearing registration number 23476 of 1985-86 and received a Certificate for Commencement of Business on March 17, 1986 by RoC Delhi & Haryana. Thereafter, our Company’s place of Registered Office was changed from Delhi to Andhra Pradesh on December 13,2008 which was certified by RoC Andhra Pradesh on January 15,2009 and was shifted to 8-2-682/3/A&B, Suite No.404, Mayfair Gardens, Road No.12, Banjara Hills, Hyderabad, Andhra Pradesh-500034.”.Subsequently, the name of the Company was changed from ‘Century 21st Portfolio Limited to ‘Arunjyoti Bio Ventures Limited ‘vide certificate dated January 12, 2015, issued by Registrar of Companies, Hyderabad, Telangana upon grant of fresh Certificate bearing Corporate Identification Number ‘L01400TG1986PLC062463’.The registered office of the Company was changed from 8-2-682/3/A&B, Suite No.404, Mayfair Gardens, Road No.12, Banjara Hills, Hyderabad, Andhra Pradesh-500034 to Plot No. 45, P & T Colony, Karkhana, Secunderabad-500009, Telangana, India with effect from May 26,2014. Subsequently, the registered office of our Company was changed to Door No.1-98/1/JSIC/6F/604-B6th Floor, Jain Sadhguru Capital Park, Beside Image Gardens, Madhapur, Shaikpet, – Hyderabad – 500081 Telangana, India with effect from March 21,2023

Our Company is into Co-packing business and is specialized packaging company who are well equipped and trained to package the manufactured goods into their final selling form to the common public or wholesaler. A co-packer ensures that a manufacturer focuses on their core competencies of manufacturing the product, and are financially efficient by reducing costs on packaging, machineries, labor, and logistics, and can concentrate on selling their products in better form of packaging.

For further details, please refer to the section titled “Our Business” beginning on page 66 beginning of this Draft Letter of Offer.

## FINANCIAL PERFORMANCE

The financial performance of our Company for six months ended on *September 30, 2023* and as on March 31, 2023 is as follows as derived from Restated Financial Statement:-

(₹ in Lakhs)		
Particulars	For the six months period ended on September 30, 2023	Year Ended March 31, 2023
Revenue from operations	594.00	173.53
EBITDA	(29.35)	16.29
Profit/ (loss) after tax from continuing operation	(132.81)	11.68
Profit/ (loss) after tax from discontinuing operation	-	-

## FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subject to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” on page 20 beginning of this Draft Letter of Offer.

Our Company’s future results of operations could be affected potentially by the following factors:

1. Company’s ability to successfully implement our strategy, our growth and expansion, technological changes;
2. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
3. Inability to successfully obtain registrations in a timely manner or at all;
4. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
5. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
6. Our failure to keep pace with rapid changes in paper sector;
7. Changes in laws and regulations relating to the industries in which we operate;
8. Effect of lack of infrastructure facilities on our business;
9. Intensified competition in industries/sector in which we operate;
10. Our ability to attract, retain and manage qualified personnel;
11. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
12. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
13. Our ability to expand our geographical area of operation.

## SIGNIFICANT ACCOUNTING POLICIES

Except as mentioned in section titled “*Restated Financial Statements*” beginning on page 91 of this Draft Letter of Offer, there has been no change in accounting policies during the Fiscal years 2023 and for six months period ended September 30, 2023.

## COMPONENTS OF INCOME AND EXPENDITURE

### Total Revenue

Our total revenue is divided into revenue from operations and other income. Revenue from operations consists revenue from sale of goods.

### Total Expenses

Our total expenses comprise of purchase of stock in trade, change in inventories, Employee benefit expenses, Finance cost, Depreciation, Other expenses.

### Change in Inventories

Our change in inventories comprise of change in opening and closing of raw materials.

### Employee benefit expenses

Employee benefit expenses comprises of salaries and allowances.

### Finance cost

Finance cost comprises of Bank Charges and Interest of Late Payment of TCS and TDS.

### Other Expenses

Other expenses majorly comprise of Business Promotion Expense, Professional Fees, GSTTax Expense, Listing Fees etc.

### Taxation

The current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

## **RESULTS OF OPERATIONS**

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements of our Company for the six months period ended September 30, 2023 and financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 are.

(₹ in Lakhs)

	For the period Six months period ended September 30, 2023		For the year ended on March 31, 2023		For the year ended on March 31, 2022		For the year ended on March 31, 2021	
Particulars	2023	% of Total Revenue	2023	% of Total Revenue	2022	% of Total Revenue	2021	% of Total Revenue
<b>INCOME</b>								
Revenue from Operation	594.00	98.68	173.53	100.00	297.09	91.39	551.29	99.97
Other Income	7.95	1.32	-	-	27.99	8.61	0.18	0.03
<b>TOTAL</b>	<b>601.95</b>	<b>100.00</b>	<b>173.53</b>	<b>100.00</b>	<b>325.08</b>	<b>100.00</b>	<b>551.47</b>	<b>100.00</b>
<b>EXPENDITURE</b>								
Purchase of Stock in trade	300.12	49.86	238.06	137.19	-	-	-	-
Cost of Material Consumed	-	-	-	-	287.47	88.43	466.72	84.63
Change in inventories	61.19	10.17	(88.48)	(50.99)	-	-	-	-
Direct Expenses	-	-	-	-	0.67	0.20	14.69	2.66
Employee Benefit Expenses	117.85	19.58	0.84	0.48	6.36	1.96	23.79	4.31
Finance cost	57.65	9.58	0.50	0.29	0.10	0.03	0.16	0.03
Depreciation	53.76	8.93	-	-	-	-	-	-
Other expenses	144.18	23.95	6.82	3.93	22.88	7.04	36.89	6.69
<b>TOTAL</b>	<b>734.76</b>	<b>122.06</b>	<b>157.74</b>	<b>90.90</b>	<b>317.48</b>	<b>97.66</b>	<b>542.25</b>	<b>98.33</b>
<b>Profit/(loss) before Exceptional Items</b>	<b>(132.81)</b>	<b>(22.06)</b>	<b>15.79</b>	<b>9.10</b>	<b>7.60</b>	<b>2.34</b>	<b>9.22</b>	<b>1.67</b>

Exceptional Items	-	-	-	-	-	-	-	-
Profit/ (Loss) on share of associates	-	-	-	-	-	-	-	-
<b>Profit/ (loss) before tax</b>	<b>(132.81)</b>	<b>(22.06)</b>	<b>15.79</b>	<b>9.10</b>	<b>7.60</b>	<b>2.34</b>	<b>9.22</b>	<b>1.67</b>
Less: Current Tax	-	-	4.10	2.37	1.98	0.61	2.40	0.43
Less: Deferred Tax	-	-	-	-	-	-	-	-
Less: Short Provisionfor Tax	-	-	-	-	-	-	-	-
<b>Profit/ (loss) after tax</b>	<b>(132.81)</b>	<b>(22.06)</b>	<b>11.68</b>	<b>6.73</b>	<b>5.63</b>	<b>1.73</b>	<b>6.83</b>	<b>1.24</b>

#### COMPARISON OF FINANCIAL YEAR ENDED 2023 TO FINANCIAL YEAR ENDED 2022

##### Total Income:

Particulars	2022-23	2021-22	Variance in %
Total Income	173.53	325.08	(46.62)

Our Total income, which comprised of revenue from operations and other income for the Financial Year 2023, was ₹173.53 lakhs as compared to ₹325.08 lakhs for the Financial Year 2022, representing a reduction of 46.62%. Total income comprised of:

##### Revenue from Operations:

Particulars	2022-23	2021-22	Variance in %
Revenue from Operations	173.53	297.09	(41.59)

Our revenue from operations reduced by ₹123.56 lakhs or by 41.59 % from ₹297.09 lakhs in Financial Year 2022 to ₹173.53 lakhs in Financial Year 2023. This was primarily due to change in line of activity of the Company from Trading of Bio Fertilizers to Packaging of Soft Drink and Aerated Water.

##### Other Income:

Particulars	2022-23	2021-22	Variance in %
Other Income	-	27.99	(100)

Our other income decreased by ₹ 27.99 lakhs or by 100% from ₹ 27.99 lakhs in Financial Year 2022 to Nil in Financial Year 2023.

##### Total Expenses:

Particulars	2022-23	2021-22	Variance in %
Total Expenses	157.74	317.48	(50.31)

Our total expenses reduced by ₹ 159.74 lakhs or by 50.31 % from ₹ 317.48 lakhs in Financial Year 2022 to ₹ 157.74 lakhs in Financial Year 2023. Total expenditure comprises of:

##### Purchase of stock in trade:

Particulars	2022-23	2021-22	Variance in %
Purchase of Stock in trade	238.06	-	100

Purchase of stock in trade is ₹ 238.06 lakhs for the Financial Year ended 2023 and Nil for the financial Year ended 2022.

**Cost of Material Consumed:**

Particulars	2022-23	2021-22	Variance in %
Cost of Material Consumed	-	287.47	(100)

Cost of Material Consumed reduced by ₹ 287.47 lakhs or by 100% from ₹ 287.47 Lakhs in Financial Year 2022 to NIL in Financial Year 2023. The Cost of material consumed as mentioned in FY 2022 was regrouped to purchase of stock in trade in FY 2023.

**Change in inventories of Finished Goods, Stock-in-trade and Work-in-progress:**

Particulars	2022-23	2021-22	Variance in %
Change in Inventories	(88.48)	-	(100)

Our change in inventories of finished goods, stock-in-trade and work-in-progress reduced by ₹ (88.48) lakhs from NIL in Financial Year 2022 to ₹ (88.48) lakhs in Financial Year 2023. Since the Company has entered into new line of activity, the Company has purchased the material worth of Rs. 238 Lakhs out of which Rs. 88.48 Lakhs is stock in trade.

**Direct Expenses:**

Particulars	2022-23	2021-22	Variance in %
Direct Expenses	-	0.67	(100)

Our Direct Expenses reduced by ₹ 0.67 lakhs or by 100% from ₹ 0.67 lakhs in Financial Year 2022 to NIL in Financial Year 2023.

**Employee benefits expense:**

Particulars	2022-23	2021-22	Variance in %
Employee Benefit Expense	0.84	6.36	(86.79)

Employee benefit expense decreased by ₹5.52 lakhs or by 86.79% from ₹ 6.36 lakhs in Financial Year 2022 to ₹ 0.84 lakhs in Financial Year 2023. Employee benefit expenses constituted 0.48% of the total income for the Financial Year 2023 vis-à-vis 1.96% of the total income for the Financial Year 2022. This was primarily due to change in line of activity of Business, due to which requirement of employees will be comparatively low.

**Finance costs:**

Particulars	2022-23	2021-22	Variance in %
Finance Cost	0.50	0.10	400

Finance costs increased by ₹ 0.40 lakhs or by 400% from ₹0.10 lakhs in Financial Year 2022 to ₹ 0.5 lakhs in Financial Year 2023. Finance cost constituted 0.29% of the total income for the Financial Year 2023 vis-à-vis 0.03% of the total income for the Financial Year 2022. This was primarily due to the company has applied for fresh loan, the Bankers has charged the amount as Bank Charges

**Depreciation and amortisation expense:**

Our depreciation and amortization expense were Nil for the Financial year 2023 and Financial Year 2022.

**Other expenses:**

Particulars	2022-23	2021-22	Variance in %
Other Expenses	6.82	22.88	(70.19)

Accordingly, other expenses reduced by ₹16.06 lakhs or by 70.19% from ₹22.88 lakh since Financial Year 2022 to ₹6.82 lakhs in Financial Year 2023. Other expenses constituted 3.93% of the total income for the Financial Year 2023 vis-à-vis 7.04% of the total income for the Financial Year 2022. This was primarily due to In the earlier activity, the other expenses include freight Charges and professional charges. After the change in the new business line of activity, Freight Charges are borne by the supplier/customer and not by the Company

**Profit/(loss) before tax:**

Particulars	2022-23	2021-22	Variance in %
Profit/(loss) before tax	15.79	7.60	107.76

In light of above discussions, our profit increased by ₹ 8.19 or by 107.76% lakhs from ₹ 7.60 lakhs in Financial Year 2022 to ₹ 15.79 lakhs in Financial Year 2023.

**Tax expense:**

Particulars	2022-23	2021-22	Variance in %
Tax expense	4.10	1.98	107.07

Our total tax expense increased by ₹2.12 lakhs or by 107.07% from ₹1.98 lakhs in Financial Year 2022 to ₹4.1 lakhs in Financial Year 2023.

**Profit/(loss) for the Year:**

Particulars	2022-23	2021-22	Variance in %
Profit/(loss) for the Year	11.68	5.63	107.46

For the reasons discussed above and following adjustments for tax expense, we recorded an increase in our profit by ₹ 6.05 lakhs or by 107.68% from ₹5.63 lakhs in Financial Year 2022 to a net profit of ₹ 11.68 lakhs in Financial Year 2023.

**RELATED PARTY TRANSACTIONS**

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relate to remuneration, salary, commission and Issue of Equity Shares. For further details of related parties kindly refer chapter titled “*Restated Financial Statements*” beginning on page 91 of this draft letter of offer.

**SIGNIFICANT DEVELOPMENTS AFTER SEPTEMBER 30, 2023 THAT MAY EFFECT OUR FUTURE RESULTS OF OPERATIONS**

Except as disclosed in this Draft Letter of Offer, there have not arisen, since the date of the last financial statements disclosed in this Draft Letter of Offer, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months. For further information, see “Management’s Discussion and Analysis of Financial Condition.

## **SECTION VI - LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATIONS AND DEFAULTS**

There are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors, Promoters or Group Companies.

Further our Company, Directors, Promoters and Group Companies are not wilful defaulters or fraudulent borrowers and there have been no violations of securities laws in the past or pending against them.

#### **LITIGATION RELATING TO OUR COMPANY**

##### **A. CASES FILED AGAINST OUR COMPANY**

###### **1. Litigation involving Civil Laws**

Nil

###### **2. Litigation involving Criminal Laws**

Nil

###### **3. Litigation involving Securities and Economic Laws**

Nil

###### **4. Litigation involving Taxation**

###### **Direct Tax**

Nil

###### **Indirect Tax**

Nil

###### **5. Other Pending Litigation based on Materiality Policy of our Company**

Nil

##### **B. CASES FILED BY OUR COMPANY**

###### **1. Litigation involving Civil Laws**

Nil

###### **2. Litigation involving Company Laws**

Nil

###### **3. Litigation involving Securities and Economic Laws**

Nil

###### **4. Litigation involving Taxation**

Nil

###### **5. Other Pending Litigation based on Materiality Policy of our Company**

Nil

## **C. NOTICES FROM STATUTORY AUTHORITIES**

Nil

## **LITIGATION RELATING TO THE DIRECTORS OTHER THAN PROMOTERS OF THE COMPANY**

### **A. CASES FILED AGAINST THE DIRECTORS**

#### **1. Litigation involving Civil/Statutory Laws**

Nil

#### **2. Litigation involving Criminal Laws**

Nil

#### **3. Litigation involving Economic Offenses**

Nil

#### **4. Litigation involving Tax Liabilities**

Nil

#### **5. Other Pending Litigation based on Materiality Policy of our Company**

Nil

## **B. NOTICES FROM STATUTORY AUTHORITIES**

Nil

### **C. CASES FILED BY THE DIRECTORS**

#### **1. Litigation involving Civil/Statutory Laws**

Nil

#### **2. Litigation involving Criminal Laws**

Nil

#### **3. Litigation involving Economic Offenses**

Nil

#### **4. Litigation involving Tax Liabilities**

Nil

### **Disclosures Pertaining to Wilful Defaulters or a Fraudulent Borrower:**

Neither our Company, nor our Promoters or Directors have been categorized or identified as wilful defaulters or fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful 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.

### **Material Developments:**

Other than as stated in the section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after September 30, 2023 that may effect our Future Results Of Operations” on page 126 of this Draft Letter of Offer, there have not arisen, since the date of the last financial information disclosed in this Draft Letter of Offer, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are material for carrying on our present business activities.

Some of the approvals and licenses that our Company requires for our business operations may expire in the ordinary course of business, and our Company will apply for the renewal from time to time.

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled “*Objects of the Issue*’ at page 45 of this Draft Letter of Offer.

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

The Issue has been authorised by a resolution of our Board of Directors passed at its meeting held on June 17, 2023, October 31, 2023 and November 18, 2023 and by the shareholders of the Company in the EGM held on July 17, 2023 and November 27, 2023 pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act, 2013.

Our Board of Directors has at its meeting held on June 17, 2023, October 31, 2023 determined the Issue Price as ₹ 20 per Rights Equity Share in consultation with the Lead Manager, and the Rights Entitlement of upto Eight (8) Equity Shares for one (1) fully paid-up Equity Share(s) held on the Record Date

This Draft Letter of Offer has been approved by Rights Issue committee pursuant to its resolution dated January 17, 2024

Our Company has received 'in-principle' approval for listing of the Rights Equity Shares to be Allotted pursuant to Regulation 28 of SEBI Listing Regulations, vide letter dated [•] issued by BSE for listing of the Rights Equity Shares to be allotted pursuant to the Issue. Our Company will also make an application to the Stock Exchange to obtain the listing and trading approvals 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, please see "Terms of the Issue" on page 136.

### **Prohibition by SEBI or other Governmental Authorities**

Our Company, our Promoters, our Directors, the members of our Promoter Group and persons in control of our 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.

The companies with which our Promoters or our Directors are associated as promoters or directors have not been debarred from accessing the capital market by SEBI. 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, members of the Promoter Group nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

### **Association of our Directors with the securities market**

None of our Directors are associated with the securities market in any manner. There are no outstanding action(s) initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Letter of Offer.

### **Prohibition by RBI**

Neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

### **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 and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on BSE. Our Company is eligible to offer Rights Equity Shares pursuant to this Issue in terms of Chapter III of the SEBI ICDR Regulations and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B - Clause 1 of Schedule VI of 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 Exchanges for listing of the Rights Equity Shares to be issued pursuant to the Issue.

## **DISCLAIMER CLAUSE OF SEBI**

The Draft Letter of Offer will not be filed with SEBI in terms of SEBI ICDR Regulations as the size of issue is below ₹ 5000.00 lakhs. However, the Letter of Offer will be filed with SEBI for information and dissemination.

## **Disclaimer from our Company, our Directors and the Lead Manager**

Our Company, our Directors and the Lead Manager 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, would be doing so at his or her own risk.

Investors who invest in the issue will be deemed to have been represented by the issuer and lead manager(s) and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire equity shares of our Company, and are relying on independent advice / evaluation as to their ability and quantum of investment in this issue

All information shall be made available by our Company and the Lead Manager 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 Draft 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 centers.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft 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 Draft Letter of Offer is current only as at its date.

## **CAUTION**

Our Company shall make all information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and rights to purchase the Rights Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

Our Company and its Directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares.

### **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 Hyderabad, Telangana, India only.

### **Disclaimer Clause of BSE**

As required, a copy of this Draft Letter of Offer has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to the filing with the Stock Exchange.

### **Designated Stock Exchange**

The Designated Stock Exchange for the purposes of the Issue is BSE Limited.

### **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 this Draft Letter of Offer/ 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 SEBI and the Stock Exchanges.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft letter of Offer/ 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 Draft 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 Draft 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 Draft 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 Draft 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.

## **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 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 DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

## **Consents**

Consents in writing of our Directors, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank 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.

## **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.

## **Stock Market Data of the Equity Shares:**

Our Equity Shares are listed on BSE and NSE. Our Equity Shares are traded on BSE and NSE. For details in connection with the stock market data of the Stock Exchanges, please refer to the chapter titled "Market Price Information" on page 119 of this Draft Letter of Offer

## **Filing**

This Draft Letter of Offer has been filed with the BSE. On receipt of the in-principle approval from BSE, the final Letter of Offer will be filed with BSE and will be submitted to SEBI for information and dissemination purpose as per the provisions of the SEBI ICDR Regulations.

## **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. 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*" beginning at page 136 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**

### **Venture Capital and Corporate Investments Private Limited**

AURUM 5th Floors, Plot No. 57, Jayabheri Enclave,  
Phase II, Gachibowli, Hyderabad, Seri Lingampally, Telangana, India, 500032

**Telephone:** +91 40 - 23818475/76

**E-mail:** [investor.relations@vccipl.com](mailto:investor.relations@vccipl.com), [pvsrinivas@vccipl.com](mailto:pvsrinivas@vccipl.com)

**SEBI Registration Number:** INR000001203

**Website:** <https://www.vccipl.com/>

**Contact Person:** P V Srinivasa Rao

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.

Swati Jain is our Company Secretary and Compliance Officer. Her contact details are set forth hereunder:

**Address:** Door No.1-98/1/JSIC/6F/604-B6th Floor, Jain Sadhguru Capital Park, Beside Image Gardens, Madhapur, Shaikpet, Hyderabad – 500081 Telangana, India

**Telephone:** + 91 9393877777

**Email:** [cenport@gmail.com](mailto:cenport@gmail.com)

## SECTION VII- ISSUE INFORMATION

### TERMS OF THE ISSUE

*This Section applies to all Investors. ASBA Investors should note that the ASBA process involves procedures that may be different from that applicable to other Investors and should carefully read the provisions applicable to such Applications, in the Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter, before submitting an Application Form. Our Company and the Lead Manager are not liable for any amendments, modifications or changes in applicable law which may occur after the date of the Letter of Offer. Investors who are eligible to apply under the ASBA process, as the case may be, are advised to make their independent investigations and to ensure that the Application Form and the Rights Entitlement Letter are correctly filled up.*

*Please note that in accordance with the provisions of the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (“SEBI – Rights Issue Circular”), all investors (including renouncees) shall make an application for a rights issue only through ASBA facility. However, in view of the COVID-19 pandemic and the lockdown measures undertaken by Central and State Governments, relaxation from the strict enforcement of the SEBI – Rights Issue Circular has been provided by SEBI, vide its Circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, Circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, Circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and Circular SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021.*

*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, the Abridged Letter of Offer, including the Application Form and the Rights Entitlement Letter, the MOA and AOA of our Company, the provisions of the Companies Act, the terms and conditions as may be incorporated in the FEMA, applicable guidelines and regulations issued by SEBI or other statutory authorities and bodies from time to time, the SEBI Listing Regulations, terms and conditions as stipulated in the allotment advice or security certificate and rules as may be applicable and introduced from time to time.*

### 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, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter, the Memorandum of Association and the Articles of Association, the provisions of Companies Act, 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:

#### *1. Dispatch and availability of Issue materials*

In accordance with the SEBI ICDR Regulations, our Company will send, only through email, the Abridged Letter of Offer, Application Form and other applicable Issue materials to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company. This Draft Letter of Offer will be provided to those who make a request in this regard.

In the event that e-mail addresses of the Eligible Equity Shareholders are not available with our Company/ Depositories or the Eligible Shareholders have not provided valid e-mail addresses to our Company/ Depositories, our Company will dispatch the Abridged Letter of Offer, 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.

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.abvl.co.in](http://www.abvl.co.in)
- b) the Registrar to the Issue at [www.vccipl.com](http://www.vccipl.com)
- c) the Lead Manager at [www.bajajcapital.com](http://www.bajajcapital.com)
- d) the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com); and

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at <https://www.vccipl.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 such other credentials for validation of the identity of the

shareholder, as may be required. The link for the same shall also be available on the website of our Company (i.e., [www.abvl.co.in](http://www.abvl.co.in)).

Please note that neither our Company nor the Registrar shall be responsible for non-dispatch of 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 email 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.

The distribution of the Letter of Offer, 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 Exchanges. 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 outside India, 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 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 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 authorized 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).

## **2. Facilities for Application in this Issue:**

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and 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. For details, please refer to the paragraph titled "Procedure for Application through the ASBA process" on page 146 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 escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on 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 accept this Issue and 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 authorizing 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 the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

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 see “Terms of the Issue – Grounds for Technical Rejection” on page 156 of the Draft Letter of Offer. Our Company, the Lead Manager, 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. 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 utilize the Application Form for any purpose including renunciation even if it is received subsequently. For details, see “Terms of the Issue –Application on Plain Paper under ASBA process” on page 148 of the Draft Letter of Offer.

### ***3. Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders:***

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights 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 Resident Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, “[●]”) will be opened by our Company, for the Resident Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Resident Eligible Equity Shareholder which are frozen or suspended for debit or credit or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company; (e) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Equity Shares currently under dispute, including any court proceedings.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for the crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements shall be 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.

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 the Company or the Registrar not later than two days before the Issue Closing Date [●], [●], 2023 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, [●], [●], 2023, 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 the Company or the Registrar account is active to facilitate the aforementioned transfer.

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 escrow account to the Stock Exchanges 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 entering in their respective details along with other security control measures implemented thereat.

**PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, SEE “PROCEDURE FOR APPLICATION” ON PAGE 144 OF THE DRAFT LETTER OF OFFER.**

**Other important links and helpline:**

The Investors can visit following links for the below-mentioned purposes:

- a) Frequently asked questions are available on the website of the Registrar (<https://www.vccipl.com/>) or call helpline numbers (+91 40 23818475/76) and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: [investor.relations@vccipl.com](mailto:investor.relations@vccipl.com)
- b) Updation of Indian address/ email address/ mobile number in the records maintained by the Registrar or our Company: (<https://www.vccipl.com/>)
- c) Updation of Indian address can be sent to Registrar at email id [investor.relations@vccipl.com](mailto:investor.relations@vccipl.com) or by way of Registered post/Courier at “AURUM”, 5th Floor, Plot No.57, Jayabheri Enclave Phase – II, Gachibowli, Hyderabad – 500032,
- d) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: (<https://www.vccipl.com/>)
- e) Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: (<https://www.vccipl.com/>)

**Renouncees**

All rights or obligations of the Eligible Equity Shareholders in relation to Applications and refunds relating to the Issue shall, unless otherwise specified, apply to the Renouncee(s) as well.

**Authority for the Issue**

The Issue has been authorized by a resolution of Board of Directors on June 17, 2023 October 31, 2023 and November 18, 2023 and members resolution passed on July 17, 2023 and November 27, 2023 pursuant to Section 62(1)(a) of the Companies Act.

The Board of Directors in their meetings held on June 17, 2023 and October 31, 2023 have determined the Issue Price at ₹ 20/- per Equity Share and the Rights Entitlement as 8(Eight) Rights Equity Share(s) for every 1 (one) fully paid up Equity Share(s) held on the Record Date. The Issue Price has been arrived at in consultation with the Lead Manager.

Our Company has received in-principle approvals from BSE Limited in accordance with Regulation 28 of the SEBI Listing Regulations for listing of the Rights Equity Shares to be Allotted in the Issue pursuant to letter dated [●].

**Basis for the Issue**

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held in dematerialized form and on the register of members of our Company in respect of the Equity Shares held in physical form at the close of business hours on the Record Date, decided in consultation with the Designated Stock Exchange, but excludes persons not eligible under the applicable laws, rules, regulations and guidelines.

**Rights Entitlement (“REs”) (Rights Equity Shares)**

Eligible Equity Shareholders whose names appear as beneficial owners in respect of the Equity Shares held in dematerialized form or appear in the register of members as Equity Shareholders of our Company in respect of the

Equity Shares held in physical form as on the Record Date, i.e., [●], are entitled to the number of Rights Equity Shares as set out in the Application Form.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue <https://www.vccipl.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 such other credentials for validation of identity. The link for the same shall also be available on the website of our Company ( [www.abvl.co.in](http://www.abvl.co.in))

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in demat form. 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, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, 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. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e. <https://www.vccipl.com/>). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements are credited to their respective demat accounts.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and in accordance with the SEBI ICDR Regulations, will send, only through email, the Abridged Letter of Offer, Application Form and other applicable Issue materials to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company. This Draft Letter of Offer will be provided to those who make a request in this regard.

In the event that e-mail addresses of the Eligible Equity Shareholders are not available with our Company/ Depositories or the Eligible Shareholders have not provided valid e-mail addresses to our Company/ Depositories, our Company will dispatch the Abridged Letter of Offer, 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 Letter of Offer, the Abridged Letter of Offer and the Application Form may also be accessed on the websites of the Registrar, our Company and the Lead Manager through a link contained in the aforementioned email sent to email addresses of Eligible Equity Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) and on the Stock Exchange's websites. The distribution of the Letter of Offer, 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 will be 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 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 in those jurisdictions in which it would be illegal to make such an offer and 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. 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 acquires Rights Entitlements or makes an Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Rights Equity Shares under the laws of any jurisdiction which apply to such person.

However, our Company, Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

## **PRINCIPAL TERMS OF THE RIGHTS EQUITY SHARES ISSUED UNDER THIS ISSUE**

### **Face Value**

Each Rights Equity Share will have the face value of ₹ 10/-.

### **Issue Price**

Each Rights Equity Share is being offered at a price of ₹ 20/- per Rights Equity Share in the Issue.

The Issue Price has been arrived at by our Company in consultation with the Lead Manager prior to the determination of the Record Date.

The Rights Equity Shares issued in this Issue will be fully paid-up. The Issue Price and other relevant conditions are in accordance with Regulation 10(4) of the SEBI Takeover Regulations.

The Board, at its meeting held on June 17, 2023 and October 31, 2023, has determined the Issue Price, in consultation with the Lead Manager.

### **Rights Entitlement Ratio**

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 8 (eight) Rights Equity Share(s) for every 1 (one) Equity Share(s) held on the Record Date.

### **Rights of instrument holder**

Each Rights Equity Share shall rank pari passu with the existing Equity Shares of the Company.

### **Trading of the Rights Entitlements**

In accordance with the SEBI Rights Issue Circular, the Rights Entitlements credited shall be admitted for trading on the Stock Exchanges under ISIN [•]. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On-Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchanges on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized 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 [•], [•], 2023 to [•], [•], 2023 (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade.

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. For details, see “Procedure for Renunciation of Rights Entitlements – On Market Renunciation” and “Procedure for Renunciation of Rights Entitlements – Off Market Renunciation” on page 147.

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

### **Terms of Payment**

The entire amount of the Issue Price of ₹ 20/- per Rights Equity Share shall be payable at the time of Application.

Where an Applicant has applied for additional Rights Equity Shares and is allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The un-blocking 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.

### **Fractional Entitlements**

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of 8 (eight) Rights Equity Share(s) for every 1 (one) Equity Share(s) held on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. In terms of present ratio, there will be no fractional shares.

### **Credit Rating**

As this Issue is a rights issue of Rights Equity Shares, there is no requirement of credit rating for this Issue.

### **Ranking**

The Rights Equity Shares to be issued and allotted pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and the Articles of Association. The Rights Equity Shares to be issued and Allotted pursuant to the Issue shall rank pari passu with the existing Equity Shares of our Company, in all respects including dividends.

### **Mode of payment of dividend**

In the event of declaration of dividend, our Company shall pay dividend to the Eligible Equity Shareholders as per the provisions of the Companies Act and the provisions of the Articles of Association.

### **Listing and trading of the Rights Equity Shares to be issued pursuant to the Issue**

The existing Equity Shares are listed and traded on BSE (Scrip Code: 530881) and under the ISIN: INE485K01014. 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 Exchanges. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the Existing ISIN of the Company i.e., INE485K01014 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 Exchanges, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within seven days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within eight 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 eighth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

### **Subscription to the Issue by our Promoter and Promoter Group**

For details of the intent and extent of the subscription by our Promoter and Promoter Group, see “Capital Structure – Intention and extent of participation by our Promoter and Promoter Group in the Issue” on page 44.

### **Compliance with SEBI (ICDR) Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of Holders of Rights Equity Shares of our Company**

Subject to applicable laws, the Equity Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to vote in person, or by proxy;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive surplus on liquidation;
- The right of free transferability of Equity Shares;
- The right to attend general meetings and exercise voting powers in accordance with law, unless prohibited by law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the Memorandum of Association and the Articles of Association

## **General terms of the Issue**

### **Market Lot**

The Equity Shares of our Company are tradable only in dematerialized form. The market lot for Equity Shares in dematerialized 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 such Equity Share as the joint holders with the benefit of survivorship subject to the provisions contained in the Articles of Association. Application Forms would be required to be signed by all the joint holders to be considered valid.

### **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 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. An Investor can nominate any person by filling the relevant details in the Application Form in the space provided for this purpose.

Since the Allotment of Rights Equity Shares is in dematerialized form only, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in the Issue. Nominations registered with respective Depository Participant of the Investor would prevail. Any Investor desirous of changing the existing nomination is requested to inform its respective Depository Participant.

### **Arrangements for Disposal of Odd Lots**

Our Equity Shares are traded in dematerialized form only and therefore the marketable lot is one Equity Share and hence, no arrangements for disposal of odd lots are required.

### **New Financial Instruments**

There are no new financial instruments like deep discount bonds, debentures with warrants, secured premium notes etc. issued by our Company.

### **Restrictions on transfer and transmission of shares and on their consolidation/splitting**

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue.

However, the Investors should note that pursuant to provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not effected, unless the securities are held in the dematerialized form with a depository.

### **Notices**

In accordance with the SEBI ICDR Regulations, SEBI Rights Issue Circulars, our Company will send, primarily through email, the Abridged Letter of Offer, Application Form and other applicable Issue materials to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company. This Draft Letter of Offer will be provided, primarily through email, by the Registrar on behalf of our Company and the Lead

Manager to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

In the event that e-mail addresses of the Eligible Equity Shareholders are not available with the Company/ Depositories or the Eligible Shareholders have not provided valid e-mail addresses to the Company/ Depositories, our Company will dispatch the Abridged Letter of Offer, 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.

Further, our Company along with the Lead Manager will undertake all adequate steps to dispatch the physical copies of the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, if feasible in the current COVID-19 situation. However, our Company, Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

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 (1) Telugu language daily newspaper with wide circulation at the place where our Registered Office is situated.

## **PROCEDURE FOR APPLICATION**

### **How to Apply**

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and 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.

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, i.e. [●] see “Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form” on page 152 of this Draft Letter of Offer.

**The Lead Manager, our Company, its directors, its 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.**

### **Common Application Form**

The Common Application Form for the Rights Equity Shares offered as part of this Issue would be sent/ dispatched (i) only to email address of the resident Eligible Equity Shareholders who have provided their email address; (ii) only to the Indian addresses of the resident Eligible Equity Shareholders, on a reasonable effort basis, who have not provided a valid email address to our Company; (iii) only to the Indian addresses of the non-resident Eligible Equity Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company and are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Common Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent/ dispatched at least three days before the Issue Opening Date. The Renouncees and Eligible Equity Shareholders who have not received the Common Application Form can download the same from the website of the Registrar, our Company, the Lead Manager or Stock Exchanges.

In case of non-resident Eligible Equity Shareholders, the Common Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email to email address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the 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.

**Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Common Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Common Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).**

To update the respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit <https://www.abvl.co.in/>. Investors can access this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Common 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:

- (i) our Company at [www.abvl.co.in](http://www.abvl.co.in);
- (ii) the Registrar at <https://www.vccipl.com>;
- (iii) the Lead Manager, i.e., Bajaj Capital Limited [www.bajajcapital.com](http://www.bajajcapital.com); and
- (iv) the Stock Exchange [www.bseindia.com](http://www.bseindia.com)

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., <https://www.abvl.co.in/>) by entering their DP ID and Client ID or Folio Number (in case of resident Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company (i.e., [www.abvl.co.in](http://www.abvl.co.in)).

The Common Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue, based on the Rights Entitlement credited in their respective demat accounts. Please note that one single Common Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account. 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 Common Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares by submitting the Common 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.

**Please note that Applications made with payment using third party bank accounts are liable to be rejected.**

Investors are also advised to ensure that the Common Application Form is correctly filled up stating therein, 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 Common Application Form will be blocked by the SCSB.

**Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Common Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see “- Grounds for Technical Rejection” on page 156 of this Draft Letter of Offer. Our Company, the Lead Manager, the Registrar and the SCSB shall not be liable for any 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 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, see “Application on Plain Paper under ASBA process” on page 148 of this Draft Letter of Offer

#### **Options available to the Eligible Equity Shareholders**

Details of each Eligible Equity Shareholders RE will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at <https://www.abvl.co.in/> and link of the same would also be available on the website of our Company at (<https://www.abvl.co.in/>), Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

**The Eligible Equity Shareholders will have the option to:**

- Apply for his Rights Entitlement in full;
- Apply for his Rights Entitlement in part (without renouncing the other part);
- Apply for his Rights Entitlement in full and apply for additional Rights Equity Shares;
- Apply for his Rights Entitlement in part and renounce the other part of the Rights Equity Shares; and
- Renounce his Rights Entitlement in full.

In accordance with the SEBI Rights Issue Circulars, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on 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 i.e. [●] shall not be able to apply in this Issue. Such resident Eligible Equity Shareholders must check the procedure for Application in “Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form” on page 152 of this Draft Letter of Offer.

**Procedure for Application through the ASBA process**

Investors desiring to make an Application in this Issue through ASBA process, may submit 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 should ensure that they have correctly submitted the Application Form, or have otherwise 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.

**Self-Certified Syndicate Banks**

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>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link. Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

**Acceptance of this Issue**

Investors may accept this Issue and 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,

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.

**Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.**

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section “Application on Plain Paper under ASBA process” on page 148 of this Draft Letter of Offer.

**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 Rights 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. Applications for additional Rights Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to applicable sectoral caps, and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under the section titled “Terms of the Issue” on page 136 of this Draft Letter of Offer. 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 prescribed under the section “Basis of Allotment” on page 161 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. Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialised Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, Such Eligible Equity Shareholders, where the dematerialised Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process.

**Applications by Overseas Corporate Bodies**

By virtue of the Circular No. 14 dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies (“OCBs”), have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to OCBs) Regulations, 2003.

Accordingly, the existing Eligible Equity Shareholders of our Company who do not wish to subscribe to the Rights Equity Shares being offered but wish to renounce the same in favour of Renouncee shall not be able to renounce the same (whether for consideration or otherwise), in favour of OCB(s). The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003, that OCBs which are incorporated and are not and were not at any time subject to any adverse notice from the RBI, are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000, under the foreign direct investment scheme with the prior approval of Government of India if the investment is through the government approval route and with the prior approval of RBI if the investment is through automatic route on case by case basis. Eligible Equity Shareholders renouncing their rights in favour of such OCBs may do so provided such Renouncee obtains a prior approval from the RBI. On submission of such RBI approval to our Company at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the Application Form.

**Procedure for Renunciation of Rights Entitlements**

The Investors 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; or (b) through an off - market transfer, 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.

In accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of Res not later than two working days prior to issue closing date, such that credit of Res in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e., <https://www.vccipl.com/>). Such Eligible Equity Shareholders can make an Application or renounce their entitlement only after the Rights Entitlements are credited to their respective demat accounts.

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. The Lead Manager and 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.

**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.**

**THE LEAD MANAGER, THE REGISTRAR AND 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 Investors 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 stockbroker in the same manner as the existing Equity Shares of our Company.

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. 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 dematerialized 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., [●] to [●] (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 sell. 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 Investors 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.

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.

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.

**Applications 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 e-mail or 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 websites of the Registrar, Stock Exchanges or the Lead Manager. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB authorizing 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 address outside India.

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 utilize 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:

- Name of our Issuer, being Arunjyoti Bio Ventures Limited;
- 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);
- Registered Folio Number and DP and Client ID No.;
- Number of Equity Shares held as on Record Date;
- Allotment option preferred - only Demat form;
- Number of Rights Equity Shares entitled to;
- Number of Rights Equity Shares applied for;
- Number of Additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for within the Right Entitlements;
- Total amount paid at the rate of ₹ 20/- per Rights Equity Share;
- Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- In case of NR 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;
- Except for Applications on behalf of the Central or State Government, the residents of Sikkim and 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 the Issue. Documentary evidence for exemption to be provided by the applicants;
- Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- 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);
- Additionally, all such Applicants are deemed to have accepted the following:

*"I/We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended ("US Securities Act") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof ("United States") or to, or for the account or benefit of a United States person as defined in the Regulation S of the US Securities Act ("Regulation S"). I/ we understand the Rights Equity Shares referred to in this application are being offered in India but not in the United States. I/ we understand the offering to which this application 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 the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/ we confirm that I/ we are not in the United States and understand that neither us, nor the Registrar, the Lead Manager 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, the Lead Manager or any other person acting on behalf of us have reason to believe is a resident of the United States "U.S.*

*Person” (as defined in Regulation S) or is ineligible to participate in the Issue under the securities laws of their jurisdiction.*

*“I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.*

*I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.*

*I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States or a Qualified Institutional Buyer (as defined in the US Securities Act), and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S or in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act.*

*I/We acknowledge that the Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”*

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, 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, Lead Manager 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 <https://www.vccipl.com/>. Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.

### **Last date for Application**

The last date for submission of the duly filled in Application Form or a plain paper Application is [●], i.e. the 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 provisions of the Articles of Association, and subject to the Issue Period not exceeding 30 days from 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 Rights Equity Shares hereby offered, as provided under “Terms of the Issue - Basis of Allotment” on page 161 of this Draft Letter of Offer.

Please note that on the Issue Closing Date, (i) 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.

### **Modes of Payment**

All payments against the Application Forms shall be made only through ASBA facility or internet banking. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility or internet banking.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

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, pursuant to the finalization 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 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 finalization 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.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their Application at the time of the submission of the Application Form.

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 hereinafter.

#### **Mode of payment for Resident Investors**

All payments against the Application Forms shall be made only through ASBA facility or internet banking. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility or internet banking or UPI facility.

#### **Mode of payment for Non-Resident Investors**

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue Equity Shares to non-resident shareholders including additional Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (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 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 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, 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.

As regards Applications by Non-Resident Investors, the following conditions shall apply:

- Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, our Company or the Lead Manager.

Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to their email addresses if they have provided their Indian address to our Company or if they are located in certain jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

- Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.
- Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.

- Eligible Non-Resident Equity Shareholders applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and Eligible Non-Resident Equity Shareholders applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary (“NRO”) accounts for the full amount payable, at the time of the submission of the Application Form to the SCSB. Applications received from NRIs and non-residents for allotment of the Rights Equity Shares shall be inter alia, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, allotment of Rights Equity Shares and issue of letter of allotment. If an NR or NRI Investors has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form.

- In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. In case Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Equity Shares in the Issue.

#### **Procedure for 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 Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 day before the Issue Closing Date. 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.

Prior to the Issue Opening Date, the Rights Entitlements of those resident 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 escrow account opened by our Company. In the event, the relevant details of the demat accounts of such Eligible Equity Shareholders are not received during the Issue Period, then their Rights Entitlements kept in the suspense escrow demat account shall lapse.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

1. 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 Working Days prior to the Issue Closing Date; Alternatively they can upload the above mentioned documents in the investor portal of the Registrar to the issue at <https://www.vccipl.com/>
2. 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 1 (One) day before the Issue Closing Date; and
3. The remaining procedure for Application shall be same as set out in “Procedure for Application through the ASBA process” on page 146 of this Draft Letter of Offer.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

**PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE, i.e. [●] AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.**

#### **Allotment of the Rights Equity Shares in Dematerialized Form**

**PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND / UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 161 OF THIS DRAFT LETTER OF OFFER.**

#### **General instructions for Investors**

- (a) Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process.
- (b) The Application Form can be used by both the Eligible Equity Shareholders and the Renouncees.
- (c) Application should be made only through the ASBA facility.
- (d) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circular and 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.
- (e) In accordance with the Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Circular and ASBA Circular, an Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with a SCSB, prior to making the Application.
- (f) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard 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.
- (g) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under “Application on Plain Paper under ASBA process” on page 148 of this Draft Letter of Offer.
- (h) 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 Exchanges.
- (i) Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.
- (j) Applications should not be submitted to the Banker to the Issue, our Company or the Registrar or the Lead Manager.
- (k) 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, 1961, 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.
- (l) 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 e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Investor as per the e-mail 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, Registrar or the Lead Manager 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 3 parameters i.e., (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.

(m) 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.

(n) 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.

(o) 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 should match the demat account details in the records available with Company and / or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.

(p) 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.

(q) 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 on 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.

(r) Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.

(s) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.

(t) Do not submit the General Index Registrar number instead of the PAN as the application is liable to be rejected on this ground.

(u) Avoid applying on the Issue Closing Date due to risk of delay / restrictions in making any physical Application.

(v) Do not pay the Application Money in cash, by money order, pay order or postal order.

(w) Do not submit multiple Applications.

(x) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other

mode is not acceptable for application through ASBA process. In case payment is effected in contravention of this, the Application may be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.

(y) 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 the 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. The Lead Manager and our Company will not be responsible for any allotments made by relying on such approvals.

(z) An Applicant being an Overseas Corporate Body (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.

(aa) 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.

**Do's:**

(a) Ensure that the Common Application Form and necessary details are filled in.

(b) Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income Tax Act.

(c) 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.

(d) Investors should provide correct DP ID and client ID/ folio number 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. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.

**Dont's:**

(a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.

(b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.

(c) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.

(d) Do not pay the Application Money in cash, by money order, pay order or postal order.

(e) Do not submit multiple Applications.

***Do's for Investors applying through ASBA:***

(a) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.

(b) 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. (c) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Common Application Form before submitting the Application to the respective Designated Branch of the SCSB.

(d) Ensure that you have authorised the SCSB for blocking funds equivalent to the amount payable on application mentioned in the Common Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.

- (e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Common Application Form in physical form or plain paper Application.
- (g) Ensure that the name(s) given in the Common Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Common 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 Common Application Form and the Rights Entitlement Letter.

***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 Common 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 Lead Manager, the Registrar, the Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not a SCSB), 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.

**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, the Lead Manager, Registrar, Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not a SCSB), 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 a regulatory order.
- (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 General Index Registrar 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 its 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 the 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) We, the Registrar, the Lead Manager or any other person acting on behalf of us, reserve the right to treat invalid any Application Form which: (i) does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations; (ii) appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and we shall not be bound to allot or issue 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) Applicants holding physical shares not submitting the documents. (s) Application from investors who do not hold Rights Entitlement (REs) as on issue closing date in the demat account from which application is submitted.

(s) Application from Investors that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).

(t) Application from Resident of countries which shares the border of India which is not having documentary evidence of approval from Ministry of Home Affairs.

(u) Applications supported by amounts blocked from a third party bank account.

(v) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar/Depositories

**Depository account and bank details for Investors holding Equity Shares in demat accounts and applying in this Issue**

**IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE COMMON APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE COMMON APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE COMMON APPLICATION 137 FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE COMMON APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.**

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Common Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, 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 Common 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.

By signing the Common Application Forms, the 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.

**The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email 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, Registrar or the Lead Manager 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) the DP ID, and (c) the beneficiary account number, then such Common Application Forms are liable to be rejected.

### **Modes of Payment**

All payments against the Common Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Common Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the amount payable on Application with the submission of the Common Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Common Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Common 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 finalization 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 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.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their Application at the time of the submission of the Common Application Form.

The SCSB may reject the application at the time of acceptance of Common Application Form if the ASBA Account, details of which have been provided by the Investor in the Common Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Common Application Form. 138 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 hereinafter.

### **Mode of payment for Resident Investors**

All payments on the Common 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 the ASBA facility and using permissible accounts in accordance with the FEMA, FEMA Rules and requirements prescribed by the RBI and subject to the following conditions:

1. Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Common Application Forms on the websites of the Registrar, our Company and the Lead Manager.

*Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Common Application Form shall be sent to their email addresses if they have provided their Indian address to our Company or if they are located in certain jurisdictions (other than the United States and India) where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering such jurisdiction. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company or the Lead Manager to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the 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 and in each case who make a request in this regard.*

2. Common Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.

3. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.

**Notes:**

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.

2. 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 a Common 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 the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

4. Common 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.

**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 dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. 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, see “- Procedure for Applications by Mutual Funds” on page 165 of this Draft Letter of Offer.

In cases where multiple Common Application Forms are submitted, including cases where an Investor submits Common Application Forms along with a plain paper Application or multiple plain paper Applications, 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 Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in “Capital Structure – Intention and extent of participation by our Promoters and Promoter Group” on page 44 of this Draft Letter of Offer.

## **Last date for Application**

The last date for submission of the duly filled in the Common 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 Common Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges 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 the 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 Rights Equity Shares hereby offered, as provided under the section, “Basis of Allotment” on page 161 of this Draft Letter of Offer.

Please note that on the Issue Closing Date for Applications through ASBA process shall be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges. Please ensure that the Common 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, applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

## **Issue Schedule**

<b>Issue Opening Date*</b>	[●]
<b>Last date for on market renunciation#</b>	[●]
<b>Last date for receiving requests for Application Form and Rights Entitlement Letter**</b>	[●]
<b>Issue Closing Date#</b>	[●]
<b>Finalising the basis of allotment with the Designated Stock Exchange (on or about)</b>	[●]
<b>Date of Allotment (on or about)</b>	[●]
<b>Initiation of refunds (on or about)</b>	
<b>Date of credit (on or about)</b>	[●]
<b>Date of listing (on or about)</b>	[●]

\*Our Board may, however, decide 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).

#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 Renouncee(s) on or prior to the Issue Closing Date.

\*\*Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company, the Lead Managers and/or the Registrar to the Issue will not be liable for any loss on account of non-submission of Application Forms or on before the Issue Closing Date.

The above schedule is indicative and does not constitute any obligation on our Company or the Lead Manager. 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 2 (Two) 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 1 (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., <https://www.vccipl.com/>). 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., <https://www.vccipl.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., Welcome to Arunjyoti Bio Ventures Ltd. ([www.abvl.co.in](http://www.abvl.co.in))).

### **Basis of Allotment**

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Common Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board or duly authorized committee will proceed to Allot the Rights Equity Shares in the following order of priority:

(a) 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) 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, i.e. [●], 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 our duly authorized committee in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

(c) 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.

(d) Allotment to any other person, that our Board or a duly authorized committee may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board or a duly authorized committee 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.

In the event of over subscription, Allotment shall be made within the overall size of the Issue.

### **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 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 on or before T+1 day (T: Basis of allotment day). In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through an e-mail, to the e-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 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 refunded/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.

## **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 unblocking amounts blocked using ASBA facility.

In case of Applicants not eligible to make an application through ASBA process, 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:

1. Unblocking amounts blocked using ASBA facility;
2. National Automated Clearing House ("NACH") – NACH 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 centers specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including 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 centers where NACH facility has been made available by the 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 the Applicant is otherwise disclosed as eligible to get refunds through NEFT, Direct Credit or RTGS.
3. 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 on 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, such MICR number and the bank account number 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.
4. 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 such refund would be borne by our Company.
5. RTGS – If the refund amount exceeds ₹ 200,000, 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 such IFSC Code is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for such refund would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor. For all other Investors, the refund orders will be dispatched through speed post or registered post. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.

6. Credit of refunds to Investors in any other electronic manner, permissible under the banking laws, which are in force, and is permitted by SEBI from time to time.

***Refund payment to non-residents***

The Application Money will be unblocked in the FCNR/NRE Account of the non-resident Applicants, details of which were provided in the Common Application Form.

***Allotment Advice or Demat Credit of Securities***

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (in case of credit of the Rights Equity Shares returned/ reversed/ failed) 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 Dematerialized Form**

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED 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 WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS WHERE THE CREDIT OF THE RIGHTS EQUITY SHARES RETURNED/REVERSED/FAILED.**

Investors shall be Allotted the Rights Equity Shares in dematerialized (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 dematerialized form, instead of holding the Equity Shares in the form of physical certificates:

- (i) Tripartite Agreement dated August 24, 2009 between our Company, NSDL and the Registrar to the Issue.
- (ii) Tripartite Agreement dated January 15, 2010 between our Company, CSDL and the Registrar to the Issue.

**INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialized 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 Common 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 Common 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 Common Application Form, the Investor will not get any Rights Equity Shares and the Common Application Form will be rejected.

5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Common 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 IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, 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, by email and, if the printing is feasible, 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.

### **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 the 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, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates (i.e., 100%).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which maybe specified by the Government from time to time. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by 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 off shore derivative instruments are to be transferred to are pre – approved by the FPI.

### **Procedure for Applications by AIFs, FVCIs and VCFs**

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. 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 / centers where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

### **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 Policy has been recently 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 the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last Restated Financial Statements is required to be attached to the application.

### **Impersonation**

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or 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 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 ₹ 10.00 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than 6 months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than 3 years) and fine of an amount not less than the amount involved in the fraud, extending up to 3 times of such amount. Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than 3 years. In case the fraud involves (i) an amount which is less than ₹ 10.00 lakhs or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to 5 years or a fine of an amount extending up to ₹ 50.00 lakhs or with both.

### **Payment by stock invest**

In terms of the 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.

### **Disposal of Application and Application Money**

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Common Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Common Application Form would generate an electronic acknowledgment to the Eligible Equity Shareholders upon submission of the Application.

Our Board or our duly authorized committee 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 cases where refunds are applicable, such refunds shall be made within a period of 15 days. In case of failure to do so, our Company and the Directors who are “officers in default” shall pay interest at the prescribed rate. 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 15 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

### **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 utilized out of this Issue referred to under (A) shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilized; and
- c) Details of all unutilized 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 unutilized monies have been invested.
- d) Our Company may utilise the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

### **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 Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within the timeline specified by SEBI.
3. The funds required for making refunds / 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 Investor 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 refund / 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. At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.
8. No further issue of securities affecting our Company's Equity Share capital shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription etc.
9. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.
10. Our Company accepts full responsibility for the accuracy of information given in the Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in the Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

### **Withdrawal of the Issue**

Subject to provisions of the SEBI ICDR Regulations, the Companies Act and other applicable laws, our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof. If our Company withdraws the Issue anytime after the Issue Opening Date, a public notice within two (2) Working Days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisement has appeared and the Stock Exchange will also be informed promptly. The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) Working Day from the day of receipt of such instructions. Our Company shall also inform the same to the Stock Exchange.

If our Company withdraws the Issue at any stage including after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

### **Important**

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Common Application Form, Abridged Draft 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 the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Common Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Common Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Common Application Form and super scribed "Arunjyoti Bio Ventures Limited– Rights Issue" on the envelope and postmarked in India or in the email) to the Registrar at the following address:

### **VENTURE CAPITAL AND CORPORATE INVESTMENTS PRIVATE LIMITED**

AURUM 5th Floors, Plot No. 57, Jayabheri Enclave,  
Phase II, Gachibowli, Hyderabad, Seri Lingampally,  
Telangana, India, 500032

**Telephone:** +91 40 - 23818475/76

**E-mail:** [investor.relations@vccipl.com](mailto:investor.relations@vccipl.com); pvsrinivas@vccipl.com

**SEBI Registration Number:** INR0000001203

**Website:** <https://www.vccipl.com/>

**Contact Person:** P V Srinivasa Rao

**Validity of Registration:** Permanent

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 ([www.vccipl.com](http://www.vccipl.com)). Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are +9140 - 23818475/76

4. This Issue will remain open for a minimum 7 days. 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 Closing Date).

## **RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

### **General Eligibility and Restrictions**

No action has been taken or will be taken to permit a public offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of this Draft Letter of Offer, its accompanying documents or any other material relating to our Company, the Rights Entitlements or the Rights Equity Shares in any jurisdiction where action for such purpose is required, except that this Draft Letter of Offer is being filed with SEBI and the Stock Exchange.

The Rights Entitlements and Rights Equity Shares have not been and will not be registered under the US Securities Act and may not be offered or sold within the United States.

The Rights Entitlements or the Rights Equity Shares may not be offered or sold, directly or indirectly, and none of this Draft Letter of Offer, its accompanying documents or any offering materials or advertisements in connection with the Rights Entitlements or the Rights Equity Shares may be distributed or published in or from any country or jurisdiction except in accordance with the legal requirements applicable in such jurisdiction.

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.

This Draft Letter of Offer and its accompanying documents 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 below:

### **United States**

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the US Securities Act or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, allotted, taken up, exercised, renounced, pledged, transferred or delivered, directly or indirectly within the United States except pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. The Rights Entitlements and Rights Equity Shares referred to in this Draft Letter of Offer are being offered in offshore transactions outside the United States in compliance with Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. Neither receipt of this Draft 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 Shareholder who has received this Draft Letter of Offer and its accompanying documents directly from our Company or the Registrar.

Each person outside of the United States by accepting the delivery of this Draft 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 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 (i) is aware that the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the US Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, (ii) is, and the persons, if any, for whose account it is acquiring such Rights Entitlements and/or the Rights Equity Shares are, outside the United States and eligible to subscribe for Rights Entitlements and Rights Equity Shares in compliance with applicable securities laws, and (iii) is acquiring the Rights Entitlements and/or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S.

2. No offer or sale of the Rights Entitlements or the Rights Equity Shares to the purchaser is the result of any “directed selling efforts” in the United States (as such term is defined in Regulation S).

3.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 the Rights Equity Shares, and 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.

4.The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by the jurisdiction of its residence, 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 its jurisdiction of residence.

5.The purchaser has the full power and authority to make the acknowledgements, representations, warranties 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 acknowledgements, representations, warranties 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.

6.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, and further, that no U.S. federal or state or other agency has made any finding or determination as to the fairness of any such investment or any recommendation or endorsement of any such investment.

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 this Draft Letter of Offer with SEBI and the Stock Exchange); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offeror 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. The purchaser agrees to notify any transferee to whom it subsequently reoffers, resells, pledges or otherwise transfers the Rights Entitlements and the Rights Equity Shares of the restrictions set forth in the Draft Letter of Offer under the heading “*Restrictions on Purchases and Resales*”.

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 this Issue.

9.Neither the purchaser nor 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 the 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 this Draft Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to our Company and our group 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), and will have had a reasonable opportunity to ask questions of and receive answers from officers and representatives of our Company concerning the financial condition and results of operations of our Company and the purchase of the Rights Entitlements or the Rights Equity Shares, and any such questions have been answered to its satisfaction; (iv) will have possessed and reviewed all information that it believes is necessary or appropriate in connection with an investment in the Rights Entitlements and the Rights Equity Shares; (v) will have conducted its own due diligence on our Company and this 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, the Lead Manager or its affiliates (including any research reports) (other than, with respect to our Company and any information contained in this Draft Letter of Offer); and (vi) 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 (i) the Rights 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 balance sheet and profit and loss account, 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 "**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; (ii) our Company does not expect or intend to become subject to the periodic reporting and other information requirements of the Securities and Exchange Commission; and (iii) neither our Company nor any of its affiliates, nor the Lead Manager or any of their affiliates has made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements or the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.

12. The purchaser understands that the Exchange Information and this Draft Letter of Offer have been prepared in accordance with content, format and style which is either prescribed by SEBI, the Stock Exchange or under Indian laws, which differs from the content, format and style customary for similar offerings in the United States. In particular, the purchaser understands that (i) our Company's financial information contained in the Exchange Information and this Draft Letter of Offer have been prepared in accordance with Ind AS, Companies Act, and other applicable statutory and/or regulatory requirements and not in a manner suitable for an offering registered with the U.S. SEC, and (ii) this Draft Letter of Offer does not include all of the information that would be required if our Company were registering the Issue of the Rights Entitlements and the Rights Equity Shares with the U.S. SEC, such as a description of our business and industry, detailed operational data, our management's discussion and analysis of our financial condition and results of operations and audited financial statements for prior years.

13. The purchaser acknowledges that (i) any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Rights Equity Shares, including this Draft Letter of Offer and the Exchange Information (collectively, the "**Information**"), has been prepared solely by our Company; and (ii) none of the Lead Manager or any of its affiliates has verified such Information, and no recommendation, promise, representation or warranty (express or implied) is or has been made or given by the Lead Manager or its affiliates as to the accuracy, completeness or sufficiency of the Information, and nothing contained in the Information is, or shall be relied upon as, a promise, representation or warranty by any of them or their affiliates.

14. The purchaser will not hold our Company, the Lead Manager or their affiliates responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by our Company to it. It acknowledges that no written or oral information relating to this Issue, and the Rights Entitlements or the Rights Equity Shares has been or will be provided by the Lead Manager or its affiliates to it.

15. 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, or to the Lead Manager, for all or part of any such loss or losses it may suffer.

16. The purchaser understands and acknowledges that the Lead Manager are assisting our Company in respect of this Issue and that the Lead Manager are acting solely for our Company and no one else in connection with this Issue and, in particular, are not providing any service to it, making any recommendations to it, advising it regarding the suitability of any transactions it may enter into to subscribe or purchase any Rights Entitlements or Rights Equity Shares nor providing advice to it in relation to our Company, this Issue or the Rights Entitlements or the Rights Equity Shares. Further, to the extent permitted by law, it waives any and all claims, actions, liabilities, damages or demands it may have against the Lead Manager arising from its engagement with our Company and in connection with this Issue.

17. 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, agreements and undertakings and other information contained in this Draft Letter of Offer and the Application Form. The purchaser understands that neither our Company, nor the Registrar, the Lead Manager or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Lead Manager or any other person acting on behalf of the Company have reason to believe is in the United States or outside of India and is not eligible to participate in this Issue under applicable securities laws.

18. The purchaser understands that the foregoing representations and acknowledgments have been provided in connection with United States, India and other securities laws. It acknowledges that our Company and the Lead Manager, their affiliates and others (including legal counsels to each of our Company, the Lead Manager) will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements and agree that, if at any time before the closing of this Issue or the issuance of the Rights Equity Shares, any of the acknowledgements, representations, warranties and agreements made in connection with its exercise of Rights Entitlements and subscription for the Rights Equity Shares is no longer accurate, it shall promptly notify our Company in writing.

### **Australia**

This Draft 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. This Draft Letter of Offer 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. Any offer in Australia of the Rights Entitlements and Rights Equity Shares under this Draft 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 Rights 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 this Draft Letter of Offer, and any offers made under this Draft Letter of Offer, you represent to the Issuer, Lead Manager that you will not provide this Draft Letter of Offer or communicate any offers made under this Draft Letter of Offer to, or make any applications or receive any offers for Rights Entitlements or Rights 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 Rights Equity Shares for on-sale that is received in Australia within 12 months after their issue by the Company, or within 12 months after their sale by a selling security holder (or a Lead Manager) 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 Rights Equity Shares should observe such Australian on-sale restrictions.

### **Bahrain**

The Central Bank of Bahrain, the Bahrain Bourse and the Ministry of Industry, Commerce and Tourism of the Kingdom of Bahrain take no responsibility for the accuracy of the statements and information contained in this Draft Letter of Offer or the performance of the Rights Entitlements or the Rights Equity Shares, 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. This Draft Letter of Offer is only intended for accredited investors as defined by the Central Bank of Bahrain. We have not made and will not make any invitation to the public in the Kingdom of Bahrain to subscribe to the Rights Entitlements or the Rights Equity Shares and this Draft Letter of Offer will not be issued, passed to, or made available to the public generally. The Central Bank of Bahrain has not reviewed, nor has it approved, this Draft Letter of Offer or the marketing thereof in the Kingdom of Bahrain. The Central Bank of Bahrain is not responsible for the performance of the Rights Entitlements or the Rights Equity Shares.

## **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.

## **China**

This Draft Letter of Offer may not be circulated or distributed in the People's Republic of China ("**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 Rights 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 this Draft Letter of Offer are required by the Issuer and its representatives 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.

## **Dubai International Financial Centre**

The Rights Entitlements and the Rights Equity Shares have not been offered and will not be 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) module of the Dubai Financial Services Authority (the "**DFSA**") rulebook; and
- ii. made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA rulebook.

## **European Economic Area and the United Kingdom**

In relation to each Member State of the European Economic Area and the United Kingdom (each a "**Relevant State**"), neither the Rights Entitlements or the Rights Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Relevant State prior to the publication of a prospectus in relation to the Rights Entitlements and the Rights Equity Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers of the Rights Entitlements and the Rights Equity Shares may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

- a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- b) to fewer than 150 natural or legal persons per Member State (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the Lead Manager for any such offer; or
- c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Rights Entitlements or the Rights Equity Shares shall require the Issuer or any Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation. This Draft Letter of Offer is not a prospectus for the purposes of the Prospectus Regulation. The Issuer does not authorize the making of any offer of Rights Entitlements and/or the Rights Equity Shares in circumstances in which an obligation arises for the Issuer to publish a prospectus for such offer.

For the purposes of this provision, the expression an "**offer to the public**" in relation to any Rights Entitlements or the Rights Equity Shares in any Relevant State means the communication to persons in any form and by any means, presenting sufficient information on the terms of the offer and Rights Entitlements or any Rights Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for those securities, and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

## Hong Kong

The Rights Entitlements and the Rights 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 Rights 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 Rights 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 have, directly or indirectly, been 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 Rights Equity Shares will be offered in Japan by a private placement to 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 falls under the Qualified Institutional Investor, the Rights Entitlements and the Rights Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investors (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. To receive the Rights Entitlements and subscribe the Rights Equity Shares (the “**QII Rights Entitlements and the QII Equity Shares**”) such offeree will be required to agree that it will be prohibited from selling, assigning, pledging or otherwise transferring the QII Rights Entitlements and the QII Equity Shares other than to another Qualified Institutional Investor.

## Kuwait

This Draft 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 Rights Equity Shares in the State of Kuwait. The Rights Entitlements and the Rights 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 Rights 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 (“**Kuwait Securities Laws**”). No private or public offering of the Rights Entitlements or the Rights 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 Rights 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 Rights Equity Shares in the State of Kuwait.

## **Luxembourg**

The Rights Entitlements and the Rights Equity Shares offered in this Draft Letter of Offer may not be offered, sold or delivered to the public within the Grand Duchy of Luxembourg. This Draft Letter of Offer is only intended for institutional investors. It is personal to each offeree and does not constitute an offer to any other person or to the public generally in Luxembourg to subscribe for or otherwise acquire the Rights Entitlements and the Rights Equity Shares. Distribution of this Draft Letter of Offer to any person other than the offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorized and any disclosure of any of its contents, without prior written consent of the Issuer, is prohibited.

## **Malaysia**

No approval from the Securities Commission of Malaysia has been applied for or will be obtained for the offer or invitation in respect of the Issue under the Capital Markets and Services Act 2007. Neither has a prospectus been or will be registered with the Securities Commission of Malaysia in connection with the Issue in Malaysia. Accordingly, this Draft Letter of Offer or any amendment or supplement hereto or any other offering document in relation to the Issue may not be distributed in Malaysia directly or indirectly for the purpose of any offer of the Rights Entitlements and the Rights Equity Shares. The Rights Entitlements and the Rights Equity Shares may not be offered or sold in Malaysia except pursuant to, and to persons prescribed under, Part I of Schedule 6 of the Malaysian Capital Markets and Services Act and no person may offer for subscription or purchase any of the Rights Entitlements and the Rights Equity Shares directly or indirectly to anyone in Malaysia.

## **Mauritius**

The Rights Entitlements and the Rights Equity Shares may not be offered or sold, directly or indirectly, to the public in Mauritius. Both this Draft 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. This Draft 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.

## **New Zealand**

This Draft Letter of Offer has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the “**FMC Act**”). This Issue is not an offer of financial products that requires disclosure under Part 3 of the FMC Act and no product disclosure statement, register entry or other disclosure document under the FMC Act will be prepared in respect of this Issue. The Rights Entitlements and the Rights Equity Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act; or
- d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act.

If, in the future, any person in New Zealand to whom the Rights Entitlements or the Rights Equity Shares are issued or sold elects to sell any Rights Entitlements or Rights Equity Shares, they must not do so in any manner which will, or is likely to, result in this Issue, or such sale, being viewed as an offer to which Part 3 of the FMC Act is applicable.

## **Oman**

This Draft Letter of Offer and the Rights Entitlements and the Rights Equity Shares to which it relates may not be advertised, marketed, distributed or otherwise made available to any person in the Sultanate of Oman (“Oman”) without the prior consent of the Capital Market Authority (“Oman CMA”) and then only in accordance with any terms and conditions of such consent. In connection with the offering of the Rights Entitlements and the Rights Equity Shares, no Prospectus has been filed with the Oman CMA. The offering and sale of the Rights Entitlements and the Rights Equity Shares described in this Draft Letter of Offer will not take place inside Oman. This Draft Letter of Offer is strictly private and confidential and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof does not constitute a public offer of the Rights Entitlements or the Rights Equity Shares in Oman as contemplated by the

Commercial Companies Law of Oman (Royal Decree 4/74) or the Capital Market Authority Law (Royal Decree 80/98) (the “CMAL”), nor does it constitute an offer to sell, or the solicitation of any offer to buy Non- Omani securities in the Sultanate of Oman as contemplated by Article 139 of the Executive Regulations of CMA. Additionally, this Draft Letter of Offer and the Rights Entitlements and the Rights Equity Shares is not intended to lead to the conclusion of a contract for the sale or purchase of securities. The recipient of this Draft Letter of Offer and the Rights Entitlements and the Rights Equity Shares represents that it is a sophisticated investor (as described in Article 139 of the Executive Regulations of the Capital Market Law) and that it has experience in business and financial matters that they are capable of evaluating the merits and risks of investments.

## **Qatar**

This Draft Letter of Offer is provided on an exclusive basis to the specifically intended recipient, upon that person’s request and initiative, and for the recipient’s personal use only and is not intended to be available to the public. Nothing in this prospectus constitutes, is intended to constitute, shall be treated as constituting or shall be deemed to constitute, any offer or sale of the Rights Entitlements or the Rights Equity Shares in the State of Qatar or in the Qatar Financial Centre or the inward marketing of an investment fund or an attempt to do business, as a bank, an investment company or otherwise in the State of Qatar or in the Qatar Financial Centre. This Draft Letter of Offer and the underlying instruments have not been reviewed, approved, registered or licensed by the Qatar Central Bank, The Qatar Financial Centre Regulatory Authority, The Qatar Financial Markets Authority or any other regulator in the State of Qatar. Any distribution of this Draft Letter of Offer by the recipient to third parties in Qatar or the Qatar Financial Centre beyond these terms is not authorised and shall be at the liability of the recipient.

## **Saudi Arabia**

This Draft Letter of Offer may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations as issued by the board of the Saudi Arabian Capital Market Authority (“CMA”) pursuant to resolution number 3-123-2017 dated 27 December 2017 as amended by resolution number 1- 104-2019 dated 30 September 2019, as amended (the “**CMA Regulations**”). The CMA does not make any representation as to the accuracy or completeness of this Draft Letter of Offer and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Draft Letter of Offer. Prospective purchasers of the Rights Entitlements and the Rights Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Rights Entitlements and the Rights Equity Shares. If you do not understand the contents of this Draft Letter of Offer, you should consult an authorized financial adviser.

## **Singapore**

This Draft Letter of Offer has not been registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, neither this Draft Letter of Offer nor any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Rights Entitlements or the Rights Equity Shares may be circulated or distributed, nor may the Rights Entitlements and the Rights Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) existing holders of Rights Equity Shares in the Company pursuant to Section 273(1)(cd)(i) of the Securities and Futures Act, Chapter 289 of Singapore (the “**Securities and Futures Act**”), or (ii) pursuant to, and in accordance with, the conditions of an exemption under Section 274 or Section 275 of the Securities and Futures Act and (in the case of an accredited investor) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or where applicable, Section 276 of the Securities and Futures Act.

Any reference to the Securities and Futures Act is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the Securities and Futures Act or any provision in the Securities and Futures Act is a reference to that term as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

**Notification under Section 309B of the Securities and Futures Act:** The Rights Entitlements and the Rights Equity Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

## **South Korea**

We are not making any representation with respect to the eligibility of any recipients of this Draft Letter of Offer to acquire the Rights Entitlements and the Rights Equity Shares therein under the laws of Korea, including, but without limitation, the Foreign Exchange Transaction Law and Regulations thereunder. The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Financial Investment Services and Capital Markets Act of Korea (the “FSCMA”). Accordingly, the Rights Entitlements and the Rights Equity Shares may not be offered, sold or delivered, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to, or for the account or benefit of, any resident of Korea (as such term is defined under the Foreign Exchange Transaction Law of Korea and its Enforcement Decree), for a period of one year from the date of issuance of the Rights Entitlements and the Rights Equity Shares, except (i) where relevant requirements are satisfied, the Rights Entitlements and the Rights Equity Shares may be offered, sold or delivered to or for the account or benefit of a Korean resident which falls within certain categories of qualified professional investors as specified in the FSCMA, its Enforcement Decree and the Regulation on Securities Issuance and Disclosure promulgated thereunder, or (ii) as otherwise permitted under applicable Korean laws and regulations.

Furthermore, the Rights Entitlements and the Rights Equity Shares may not be re-sold to Korea residents unless the purchaser of the Rights Entitlements and the Rights Equity Shares complies with all applicable regulatory requirements (including, but not limited to, governmental approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with purchase of the Rights Entitlements and the Rights Equity Shares.

## **United Arab Emirates**

This the Draft 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. This Draft 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.

## **United Kingdom**

In the United Kingdom, this Draft Letter of Offer and any investment or investment activity to which this Draft Letter of Offer relates is directed only at, being distributed and made available only to, and will be engaged in only with, persons who are qualified investors within the meaning of Article 2(e) of the Prospectus Regulation and who (i) fall within the definition of “investment professionals” contained in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”), (ii) fall within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations, etc.”) of the Order or (iii) to whom it can otherwise lawfully be communicated (all such persons together being referred to as “relevant persons”). Persons who are not relevant persons should not take any action on the basis of this Draft Letter of Offer and should not act or rely on it or any of its contents.

**SECTION VIII- STATUTORY AND OTHER INFORMATION**  
**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The contracts referred to in para (A) below (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material have been entered into by our Company.

The contracts together with the documents referred to in para (B) below may be inspected at the Registered Office of our Company between 11.00 a.m. to 2.00 p.m. on any Working Day from the date of the Letter of Offer until the closure of the subscription list.

**A. MATERIAL CONTRACTS**

1. Issue Agreement dated January 16, 2024 entered into between our Company and the Lead Manager.
2. Registrar Agreement dated January 16, 2024 entered into between our Company and the Registrar to the Issue.
3. Escrow Agreement dated [●] amongst our Company, the Lead Manager, the Registrar to the Issue and the Bankers to the Issue.
4. Tripartite Agreement dated August 24, 2009 between our Company, NSDL and the Registrar to the Issue.
5. Tripartite Agreement dated January 15, 2010 between our Company, CSDL and the Registrar to the Issue.

**B. DOCUMENTS FOR INSPECTION**

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.
2. Certificate of incorporation dated February 27, 1986 in the name of 'Century 21st Portfolio Limited'
3. Fresh certificate of incorporation dated January 12, 2015 pursuant to change of name of our Company to 'Arunjyoti Bio Ventures Limited'
4. Certificate of commencement of business dated March 17, 1986.
5. Resolution of the Board of Directors dated June 17, 2023, October 31, 2023 and November 18, 2023 in relation to the Issue including Issue Price and the Rights Entitlement Ratio and Shareholder's approval in the Extra Ordinary Meetings held on July 17, 2023 and November 27, 2023.
6. Resolution of the Board of Directors/Rights Issue Committee dated January 17, 2024 approving and adopting the Draft Letter of Offer.
7. Resolution of the Board of Directors//Rights Issue Committee dated [●] approving the Letter of Offer.
8. Consent of our Directors, Company Secretary and Compliance Officer, Statutory Auditor, Lead Manager, Bankers to the Issue, Legal Advisor, the Registrar to the Issue for inclusion of their names in the Letter of Offer in their respective capacities.
9. The Restated Financial Statements for the six months period 30th September, 2023 and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021.
10. Annual Reports of the Company for the financial year i.e., 2021-22 and 2022-2023.
11. Limited Review Financial for period ended 30th September, 2023.

12. Letter of Offer dated September 08, 2022 for Open Offer by existing Promoters to change in control over the Company.
13. Statement of Tax Benefits dated November 27, 2023 from the Statutory Auditor included in this Draft Letter of Offer.
14. In principle listing approval dated [●] issued by BSE.

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 Equity Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## **DECLARATION**

We hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act and the rules made thereunder. We further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with and no statement is contrary to provisions of the Companies Act 2013, the Securities Contract (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. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

**Sd/-**

**Pabbathi Badari Narayana Murthy**

Whole-Time Director

**Place:** Hyderabad, Telangana

**Date:** January 17, 2024

## **DECLARATION**

We hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act and the rules made thereunder. We further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with and no statement is contrary to provisions of the Companies Act 2013, the Securities Contract (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. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

**Sd/-**

**Dathvik Pabbathi**

Whole-Time Director

**Place:** Hyderabad, Telangana

**Date:** January 17, 2024

## **DECLARATION**

We hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act and the rules made thereunder. We further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with and no statement is contrary to provisions of the Companies Act 2013, the Securities Contract (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. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

**Sd/-**

**Nadimpalli Vishal**

Whole-Time Director

**Place:** Hyderabad, Telangana

**Date:** January 17, 2024

## **DECLARATION**

We hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act and the rules made thereunder. We further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with and no statement is contrary to provisions of the Companies Act 2013, the Securities Contract (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. I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

**Sd/-**

**Vijaya Rama Lakshamana Murthy Mylavarapu**  
Independent Director

**Place:** Hyderabad, Telangana

**Date:** January 17, 2024

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**SIGNED BY THE DIRECTOR OF OUR COMPANY**

**Sd/-**

**Guntaka Dhanalakshmi**

Independent Director

**Place:** Hyderabad, Telangana

**Date:** January 17, 2024

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### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

**Sd/-**

**Ranga Srikar**

Independent Director

**Place:** Hyderabad, Telangana

**Date:** January 17, 2024