



**GREENS FOOD CRAFTS INDIA LIMITED**

Our Company was incorporated on January 30, 2009, as "*Greens Processed Herbs Private Limited*" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Bangalore bearing Registration Number 049012. We subsequently changed the name of our Company from "*Greens Processed Herbs Private Limited*" to "*Greens Food Crafts India Private Limited*" pursuant to shareholders resolutions passed at the Extra Ordinary General Meeting held on April 29, 2013. A fresh Certificate of Incorporation consequent upon name change was granted to our Company on May 15, 2013 by the Registrar of Companies, Bangalore. Subsequently, our Company was converted into public limited company pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on April 06, 2019 and the name of our Company was changed to "*Greens Food Crafts India Limited*" vide a fresh Certificate of Incorporation dated April 29, 2019 issued by the Registrar of Companies, Bangalore. For further details, please refer to the section titled "History and Certain Corporate Matters" beginning on page no. 108 of this Draft Prospectus.

**Registered office:** 325/1, RMV Extension, 5<sup>th</sup> Cross, 14<sup>th</sup> Main, Sadashiva Nagar, Bangalore - 560080, Karnataka, India,  
**Contact Person:** Mr. Satish Madhavanarayanan, Managing Director; **Tel No.:** 080 41328285; **Fax No:** 080-41328142;  
**E-Mail:** info@greensfoodcrafts.com; **Website:** www.greensfoodcrafts.com; **CIN:** U01403KA2009PLC049012

**OUR PROMOTERS: ARYA VED TRUST, Mr. SATISH MADHAVANARAYAN AND Mr. ANIL CHENNALINGE GOWDA**

THE ISSUE	
<p><b>INITIAL PUBLIC ISSUE OF 35,12,400 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH ("EQUITY SHARES") OF GREENS FOOD CRAFTS INDIA LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 117/- PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF ₹107/- PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING TO ₹ 4109.51 LAKHS ("THE ISSUE"), OF WHICH 1,76,400 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹ 117/- PER EQUITY SHARE, AGGREGATING TO ₹ 206.39 LAKHS WILL BE RESERVED FOR SUBSCRIPTIONS BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE 33,36,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹ 117/- PER EQUITY SHARE, AGGREGATING TO ₹ 3903.12 LAKHS IS HERE IN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.32% AND 25.00% RESPECTIVELY OF THE POST ISSUE PAIDUP EQUITY SHARE CAPITAL OF THE COMPANY.</b></p>	
<p><b>THE FACE VALUE OF THE EQUITY SHARE IS ₹10/- EACH AND THE ISSUE PRICE IS ₹117/- i.e. 11.7 TIMES OF THE FACE VALUE OF THE EQUITY SHARES. THE MINIMUM LOT SIZE IS 1200 EQUITY SHARES</b></p>	
<p>THIS OFFER IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENT) REGULATIONS, 2018 (THE "SEBI ICDR REGULATIONS") READ WITH RULE 19(2)(b)(i) OF SCRR AS AMENDED. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET OFFER TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253(2) OF THE SEBI (ICDR) REGULATIONS, 2018. (For further details see "<i>The Issue</i>" beginning on page no. 31 of this Draft Prospectus.) A copy will be delivered for registration to the Registrar of Companies as required under Section 26 &amp; 32 of the Companies Act, 2013.</p>	
<p>In terms of Regulation 256 of SEBI ICDR Regulations read with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and Unified Payments Interface (UPI) introduced vide SEBI Circular Ref. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 as a payment mechanism in a phased manner with ASBA, all the potential investors shall participate in the issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same or through UPI. For details in this regard, specific attention is invited to "Issue Procedure" beginning on page no. 194 of this Draft Prospectus.</p>	
RISK IN RELATION TO THE FIRST ISSUE	
<p>This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the equity shares is ₹ 10/- each and the issue price is 11.7 times of face value of the equity share. The issue price should not be taken to be indicative of the market price of the equity shares after the equity shares are listed on the SME platform of BSE. No assurance can be given regarding an active or sustained trading in the equity shares of our company or regarding the price at which the equity shares will be traded after listing.</p>	
GENERAL RISKS	
<p>Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' beginning on page number 16 under the section 'General Risks'</p>	
ISSUER'S ABSOLUTE RESPONSIBILITY	
<p>The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this offer document contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the offer document 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 make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>	
LISTING	
<p>The Equity Shares of our company issued through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSESME"). In terms of the Chapter IX of the SEBI ICDR Regulations, as amended from time to time Our Company has received "in-principal" approval letter dated [●] from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE. For the purposes of the issue, the Designated Stock Exchange will be BSE Limited ("BSE").</p>	
<b>LEAD MANAGER TO THE ISSUE</b>	<b>REGISTRAR TO THE ISSUE</b>
 <p><b>FINSHORE</b>  <small>Creating Enterprise Managing Values</small></p> <p><b>FINSHORE MANAGEMENT SERVICES LIMITED</b>            Anandlok", Block-A, 2<sup>nd</sup> Floor, Room No. 207,            227 A.J.C Bose Road, Kolkata-700020, West Bengal  <b>Telephone:</b> +91 - 33 - 22895101  <b>Email:</b> ramakrishna@finshoregroup.com  <b>Website:</b> www.finshoregroup.com  <b>Investor Grievance Email:</b> info@finshoregroup.com  <b>Contact Person:</b> Mr. S. Ramakrishna Iyengar  <b>SEBI Registration No:</b> INM000012185  <b>CIN:</b> U74900WB2011PLC169377</p>	 <p><b>INTEGRATED REGISTRY MANAGEMENT SERVICES PRIVATE LIMITED</b>            No 30 Ramana Residency, 4th Cross Sampige Road,            Malleswaram, Bengaluru - 560 003  <b>Tel No:</b> 080-23460815-818; <b>Fax No:</b> 080-23460819  <b>Website:</b> www.integratedindia.in  <b>Email ID:</b> vijayagopal@integratedindia.in  <b>Investor Grievance Email ID:</b> vijayagopal@integratedindia.in  <b>Contact Person:</b> Mr. S Vijaya Gopal  <b>SEBI Registration No:</b> INR0000544  <b>CIN:</b> U74900TN2015PTC101466</p>
<b>ISSUE PROGRAMME</b>	
<b>ISSUE OPEN ON: [●]</b>	<b>ISSUE CLOSE ON: [●]</b>

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## SECTION I: DEFINATIONS AND ABBREVIATIONS

### DEFINATIONS AND ABBREVIATIONS

*Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this Draft Prospectus, and references to any statute, regulation, rule, guidelines, circular, notification or clarification or policies will include any amendments or re-enactments thereto, from time to time.*

*Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Tax Benefits”, “Industry Overview”, “Basis for Issue Price”, “Key Regulations and Policies in India”, “Financial Information”, “Outstanding Litigation and Other Material Developments” and “Part B” of “Issue Procedure”, Will have the meaning ascribed to such terms in these respective sections.*

*In case of any inconsistency between the definitions given below and the definitions contained in the Conventional or General Information Document (as defined below), the definitions given below shall prevail. The words and expressions used but not defined in this Draft Prospectus will have the same meaning as assigned to such terms under the provisions of the Companies Act, 2013, the SEBI Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder.*

#### CONVENTIONAL OR GENERAL TERMS

Terms	Description
“GFCIL”, “Our Company”, “the Company” or “the Issuer”	Greens Food Crafts India Limited, a public limited company incorporated in India under the Companies Act 1956 with its registered office located at 325/1, RMV Extension, 5 <sup>th</sup> Cross, 14 <sup>th</sup> Main, Sadashiva Nagar, Bangalore - 560080, Karnataka, India.
“We”, “the”, “our” or “us”	Unless the context otherwise indicates or implies, refers to our Company.

#### COMPANY RELATED TERMS

Term	Description
Articles/Articles of Association / AoA	The Articles of association of our Company, as amended from time to time.
Audit Committee	Audit Committee of our Company constituted in accordance Section 177 of the Companies Act, 2013
Auditor of our Company/ Statutory Auditor	The Statutory Auditors of our Company, being Dinesh Bhatkal & Associates, Chartered Accountants having their office at 117, Aashiyana House, 1 <sup>st</sup> Main, 1 <sup>st</sup> Block, Koramangala, Bangalore, Karnataka- 560034, India.
Banker to our Company	Bankers to our Company is [●], as disclosed in the section titled “ <b>General Information</b> ” beginning on page no 35 of this draft prospectus.
Board of Director(s)/the Board/our Board/ Director(s)	The director(s) on our Board, as duly constituted from time to time, including any committee(s) therefore, unless otherwise specified. For further details of our Directors, please refer to section titled “ <b>Our Management</b> ” beginning on page 111 of this Draft Prospectus.
Chief Financial Officer / CFO	The Chief Financial Officer of our Company being Mr. Satish Madhavanarayanan
Company Secretary & Compliance Officer	The Company Secretary and Compliance Officer of our Company being [●]
Equity Shares	The Equity Shares of our Company of face value of Rs. 10 each, fully paid-up, unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of our Company.
Group Companies/ Entities	The companies included under the definition of “Group Companies” under the SEBI (ICDR) Regulations and companies as considered material by our Board, as identified by the Company in its Materiality Policy. For further details, please refer to section titled “ <b>Group Entities of Our Company</b> ” beginning on page 127 of this Draft Prospectus.
Key Managerial Personnel/ KMP	Key Management Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations 2018 and Section 2(51) of the Companies Act, 2013 and as described in section titled “ <b>Our Management</b> ” beginning on page 111 of this Draft Prospectus.
Materiality Policy	The policy adopted by our Board at its meeting dated 25 <sup>th</sup> May 2019 for determining (i) Our Group Entities; (ii) outstanding material litigation involving our Company, Directors, Promoters and Our Group Entities; and (iii) outstanding dues to creditors in respect of our Company, in terms of the SEBI ICDR Regulations, 2018 for the purposes of disclosure in the offer documents. For further details, see “ <b>Group Entities of our Company</b> ” and “ <b>Outstanding Litigation and Material Developments</b> ” on pages 127 and 166 respectively

Term	Description
	of this Draft Prospectus.
Memorandum / MoA	The Memorandum of Association of our Company, as amended from time to time
NCLT	National Company Law Tribunal
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013, as disclosed in “ <b>Our Management</b> ” on page 111 of this Draft Prospectus.
Promoters	The Promoters of our Company, namely Arya Ved Trust (Trustees: Mr. Jagadeesh Bommegowda & Mrs. Meenakshi Gundlupet Venkatappa), Mr. Satish Madhavanarayanan and Mr. Anil Chennalinge Gowda. For further details, please refer to section titled “ <b>Our Promoters and Promoter Group</b> ” beginning on page 122 of this Draft Prospectus.
Promoter Group	Companies, individuals and entities (other than companies) constituting the part of Promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations, 2018 and as disclosed under section titled “ <b>Our Promoters and Promoter Group</b> ” beginning on page 122 of this Draft Prospectus.
Registered Office	Our Registered office located at 325/1, RMV Extension, 5 <sup>th</sup> Cross, 14 <sup>th</sup> Main, Sadashiva Nagar, Bangalore- 560080, Karnataka, India.
Restated Financial Statement	Audited Financial Statements for the period ended December 31, 2018 and for the Financial Years ended March 31, 2018; 2017; and 2016, as restated in accordance with SEBI (ICDR) Regulations, comprises of (i) Financial Information as per Restated Summary Financial Statements and (ii) Other Financial Information.
RoC / Registrar of Companies	Registrar of Companies, Bangalore, Karnataka located at 2nd Floor, Kendriya Sedan, Koramangala, Bengaluru-560034, Karnataka, India
Stakeholder’s Relationship Committee	Stakeholder’s relationship committee of our Company constituted in accordance with Section 178 of Companies Act, 2013

#### ISSUE RELATED TERMS

Terms	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allotment	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of the Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges.
Allottee (s)	A successful Applicant (s) to whom the Equity Shares are being/ have been issued /allotted.
Applicant/ASBA Applicant	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form. Pursuant to SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, with effect from January 01, 2016 all applicants participating in this Issue are required to mandatorily use the ASBA facility to submit their Applications.
Application	An indication to make an offer during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Supported by Blocked Amount/ASBA or UPI	An application, whether physical or electronic, used by Applicant, to make a Bid authorizing a SCSB to block the Bid Amount in the in the specified bank account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the RII Bidder blocked upon acceptance of UPI Mandate Request by RIIs using the UPI mechanism to the extent of the Bid Amount of the Bidder/Applicant
ASBA Application Location(s) / Specified Cities	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on <a href="http://www.sebi.gov.in/pmd/scsb.pdf">www.sebi.gov.in/pmd/scsb.pdf</a>
ASBA Forms/Application	An application form, whether physical or electronic, used by ASBA Applicants, which

Terms	Description
Forms	will be considered as the application for Allotment in terms of the Draft Prospectus.
Banker to the Issue	Bank which are clearing members and registered with SEBI as banker to an issue and with whom the Public Issue Account will be opened, in this case being ICICI Bank Limited.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, as described in the section titled “ <i>Issue Procedure</i> ” - Basis of Allotment beginning on page 194 of this Draft Prospectus.
Broker Centers	Broker centers notified by the Stock Exchanges where Bidders can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Broker to the Issue	All recognized members of the Stock Exchanges would be eligible to act as the Broker to the Issue.
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays)
BSE SME	The SME platform of BSE Limited, approved by SEBI as an SME Exchange for listing of Equity Shares.
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collection Centers	Centers at which the Designated Intermediaries shall accept the ASBA Forms.
Compliance Officer	The Company Secretary of our Company, i.e. [●]
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches of SCSBs	Such branches of the SCSBs which co-ordinate Applications under this Issue made by the Applicants with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depository/ Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Depository Participant /DP	A depository participant as defined under the Depositories Act, 1966.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Date	The date on which the funds blocked by the SCSBs and Sponsor Bank are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account, as appropriate, after finalisation of the Basis of Allotment, in terms of the Prospectus following which the Equity Shares will be Allotted in the Offer.
Designated Intermediaries /Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and share transfer agent (RTA) (whose name is mentioned on website of the stock exchange as eligible for this activity).
Designated Market Maker	In our case, [●]
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries</a> or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	SME Platform of BSE Limited.
Draft Prospectus	The Draft Prospectus dated 14 <sup>th</sup> June 2019 issued in accordance with Section 26 & 32 of the Companies Act, 2013 and SEBI ICDR Regulations, 2018
DP	Depository Participant
DP ID	Depository Participant’s Identity number.

Terms	Description
Eligible NRI(s)	NRI(s) from such jurisdiction outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe for the Equity Shares Issued herein on the basis of the terms thereof.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
General Information Document/ GID	The General Information Document for investing in public issues prepared and issued in accordance with the Circular (CIR/CFD/DIL/12/2013) dated 23 <sup>rd</sup> October, 2013, notified by SEBI read with SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018.
Issue/ Public Issue/ Issue Size/ Initial Public Issue/ IPO	Public issue of 35,12,400 Equity Shares of face value of Rs.10.00 each of our Company for cash at a price of Rs.117 per Equity Share (including a share premium of Rs.107 per Equity Share) aggregating to Rs.4109.51 Lakhs by our Company, in term of this Draft Prospectus.
Issue Agreement	The Issue Agreement dated 13 <sup>th</sup> June 2019 between our Company and Lead Manager.
Issue Closing Date	The date [●] on which Issue Closes for Subscription
Issue Opening Date	The date [●] on which Issue Opens for Subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which prospective Investors may submit their application.
Issue Price	The price at which Equity Shares are being issued by our Company being Rs.117.00 per Equity Share.
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please refer to section titled “ <i>Objects of the Issue</i> ” beginning on page 54 of this Draft Prospectus.
Lead Manager/ LM	Lead Manager to the Issue, in this case being Finshore Management Services Limited.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the BSE Limited.
Market Maker	Member Brokers of BSE who are specifically registered as Market Maker with the BSE SME Platform. In our case, [●], Market Maker to the Issue.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Market Maker and Lead Manager.
Market Maker Reservation Portion	The reserved portion of 1,76,400 Equity Shares of face value of Rs.10.00 each fully paid for cash at an Issue Price of Rs.117.00 per Equity Shares aggregating Rs.206.39 Lakhs in the Public Issue of our Company.
Mutual Fund(s)	Mutual fund (s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of up to 33,36,000 Equity Shares of face value Rs.10.00 each for cash at an Issue price of Rs.117.00 per Equity Share (the “Issue Price”), including a share premium of Rs.107 per equity share aggregating up to Rs.3903.12 Lakhs.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
Non-Institutional Investors or NIIs	All Applicants, including sub-accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for an amount of more than Rs.2 Lakhs (but not including NRIs other than Eligible NRIs)
Overseas Corporate Body / OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Other Investors	Investors other than Retail Individual Investors. These include individual Applicants other than retail individual investors and other investors including corporate bodies or institutions.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust, or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.

Terms	Description
Prospectus	The Prospectus, to be filed with the Registrar of Companies in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013 and SEBI ICDR Regulations, 2018
Public Issue Account	The Bank Account opened with the Banker(s) to this Issue ICICI Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Accounts on the Designated Date.
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar / Registrar to this Issue /RTI	Registrar to the Issue being Integrated Registry Management Services Private Limited
Registrar Agreement	The agreement dated [●], entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar pertaining to the Issue.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Retail Individual Investors/RIIs	Applicants or minors applying through their natural guardians, (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to Rs.2 Lakhs in this Issue.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable.
Self-Certified Syndicate Bank(s) or SCSB(s)	Banks registered with SEBI, Issuing services in relation to ASBA, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html</a>
Specified Locations	Collection centers where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended thereto.
SME Exchange	The SME Platform of the BSE i.e. BSE SME
SME Platform	The SME platform of BSE Limited, approved by SEBI as an SME Exchange for listing of equity shares.
Underwriters	Finshore Management Services Limited
Underwriting Agreement	The agreement dated [●] entered into between our Company and the Underwriters.
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c.
UP ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPPIN	Password to authenticate UPI transaction
Working Days	<p>“Working days” means all days on which commercial banks in the city as specified in the offer document are open for business. However, till issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the offer document are open for business.</p> <p>The time period between the bid/issue closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays, as per circulars issued by the Board, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and in terms of regulation 2(1)(mmm) of SEBI ICDR Regulations 2018.</p>

#### Conventional and General Terms:

Term	Description
ACIT	Assistant Commissioner of Income Tax
AIF(s)	The alternative investment funds, as defined in, and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations,

Term	Description
	2012
Air Act, 1981	Air (Prevention and Control of Pollution) Act, 1981
Category-I Foreign Portfolio Investor(s)	FPIs who are registered as “Category I foreign portfolio investor” under the SEBI FPI Regulations
Category-II Foreign Portfolio Investor(s)	FPIs who are registered as “Category II foreign portfolio investor” under the SEBI FPI Regulations
Category-III Foreign Portfolio Investor(s)	FPIs who are registered as “Category III foreign portfolio investor” under the SEBI FPI Regulations
Companies Act/ Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made thereunder
Competition Act	The Competition Act, 2002
Consolidated FDI Policy	Consolidation FDI Policy dated August 28, 2017 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
FCNR Account	Foreign currency non-resident account
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2000
FII(s)	Foreign Institutional Investors as defined under the SEBI FPI Regulations.
Financial Year/ Fiscal/ Fiscal Year/ F.Y.	Period of twelve (12) months ended March 31 of that particular year, unless otherwise stated
Foreign Portfolio Investor or FPI	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FVCI	Foreign Venture Capital Investor, registered under the FVCI Regulations
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
Income Tax Act or the I.T. Act	The Income Tax Act, 1961
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016 as amended.
LLP Act	The Limited Liability Partnership Act, 2008
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the Government as having come into effect prior to the date of this Draft Prospectus
NRE Account	Non-resident external account
NRO Account	Non-resident ordinary account
RBI Act	Reserve Bank of India Act, 1934
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
SEBI (LODR) Regulations/ SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
Securities Act	U.S. Securities Act of 1933, as amended
State Government	The government of a state of the Union of India
STT	Securities Transaction Tax
Sub-account	Sub-accounts registered with SEBI under the SEBI FII Regulations other than sub- accounts which are foreign corporates or foreign individuals
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI VCF Regulations
Willful Defaulter(s)	Willful defaulter means a person or an issuer who or which is categorized as a willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.



## INDUSTRY RELATED TERMS

Term	Description
AJAY	Atal Jyoti Yojna
ASSOCHAM	The Associated Chambers of Commerce and Industry of India
AT & C	Aggregate Technical & Commercial
CCEA	Cabinet Committee on Economic Affairs
CEA	Central Electricity Authority
CEIG	Chief Electrical Inspector to Government
CERC	Central Electricity Regulatory Commission
CSO	Central Statistics Organisation
DISCOMS	Distribution Companies
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GoI	Government of India
GST	Goods and Service Tax
HoReCa	Hotel, Retail & Catering
HUF(s)	Hindu Undivided Family(ies)
IAS Rules	The Companies (Indian Accounting Standards) Rules, 2015
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
MCA	Ministry of Corporate Affairs, GoI
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in Effect
NSE	National Stock Exchange of India Limited
P/E Ratio	Price/Earnings Ratio
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
QC	Quality Control
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SKU	Stock Keeping Unit
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Trademarks Act	Trademarks Act, 1999
U.S. GAAP	Generally Accepted Accounting Principles in the United State of America
USD/ US	Dollar United States Dollar, the official currency of the United States of America
USA/ U.S./	US United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
VAT	Value Added Tax
Wilful Defaulter(s)	Wilful Defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations

## General terms/ Abbreviations:

Term	Description
₹ or Rs. or Rupees or INR	Indian Rupees
AGM	Annual General Meeting

AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
A.Y.	Assessment year
BPLR	Bank Prime Lending Rate
BSE	BSE Limited
CARO	Companies (Auditor's Report) Order, 2016 as amended from time to time
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CIN	Corporate Identity Number
CLB	Company Law Board
CrPC	Criminal Procedure Code, 1973, as amended
CSR	Corporate Social Responsibility
DIN	Director Identification Number
DP ID	Depository participant's identification
EOU	Export Oriented Unit
ECS	Electronic Clearing System
EBITDA	Earnings before Interest, Tax Depreciation and Amortisation
EGM	Extraordinary General Meeting of the Shareholders of the Company
EPS	Earnings Per Share
ESOS	Employee Stock Option Scheme
FDI	Foreign direct investment
GAAR	General anti avoidance rules
GBP	Great Britain Pound
GIR	General index register
Go/ Government	Government of India
HNI	High Net worth Individual
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
ISO	International Organization for Standardization
IT Act	The Income Tax Act, 1961, as amended
IT Rules	The Income Tax Rules, 1962, as amended
JV	Joint Venture
MCA	Ministry of Corporate Affairs, Government of India
MoU	Memorandum of understanding
N.A.	Not Applicable
NAV/ Net Asset Value	Net asset value being paid up equity share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of profit and loss account, divided by number of issued Equity Shares
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
NoC	No Objection Certificate
No.	Number
NR	Non-resident
NSDL	National Securities Depository Limited.
NTA	Net Tangible Assets
p.a.	Per annum
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit before tax
PCB	Pollution Control Board
P/E Ratio	Price per earnings ratio
Pvt.	Private
RBI	Reserve Bank of India
RoC	Registrar of Companies
RONW	Return on Net Worth
RTGS	Real time gross settlement
SCN	Show Cause Notice
SCSB	Self-certified syndicate bank
UIN	Unique identification number
US	United States
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value added tax
YoY	Year on Year

## CURRENCY CONVENTIONS, USE OF FINANCIAL INDUSTRY AND MARKET DATA, AND CURRENCY PRESENTATION

In this Draft Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Greens Food Crafts India Limited” and “GFCIL”, unless the context otherwise indicates or implies, refers to Greens Food Crafts India Limited.

### Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to “India” in this Draft Prospectus are to the Republic of India, all references to the “U.S.”, the “USA” or the “United States” are to the United States of America, together with its territories and possessions.

### Financial Data

Unless stated otherwise, the financial information in this Draft Prospectus are extracted from the restated Financial Statements of our Company (i) as of and for Financial Year ended March 31, 2016, 2017, 2018 and for period ended on December 31, 2018 prepared in accordance with Indian GAAP and the Companies Act, and restated in accordance with the SEBI (ICDR) Regulations, 2018, as stated in the report of our Statutory Auditor, set out in the section titled ‘Financial Statements as Restated’ beginning on page no. 133 of this Draft Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and have been restated in accordance with the SEBI (ICDR) Regulations, 2018.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, IND AS and U.S. GAAP. Our Company has not attempted to explain those differences own or quantify their impact on the financial data included herein, and the investors should consult their advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Draft Prospectus should accordingly be limited.

Unless otherwise indicated, any percentage amounts, as set forth in this Draft Prospectus, including in the Sections titled, **Risk Factors; Our Business; Management’s Discussion and Analysis of Financial Condition and Results of Operations** beginning on page no. 16, 80, and 158 respectively, have been calculated on the basis of the restated audited financial statements of our Company included in this Draft Prospectus.

### Currency and Units of Presentation

All references to “Rupees”, “Rs.”, “INR” or “₹” are to Indian Rupees, the official currency of the Republic of India. Our Company has presented certain numerical information in this Draft Prospectus in “Lakh” units. One lakh represents 1,00,000. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

### Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Draft Prospectus has been derived from industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although, we believe that the industry and market data used in this Draft Prospectus is reliable, neither we nor the Lead Manager nor any of their respective affiliates or advisors have prepared or verified it independently. The extent to which the market and industry data used in this Draft Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled “Risk Factors” beginning on 21 of this Draft Prospectus. Accordingly, investment decisions should not be based on such information.

In accordance with the SEBI (ICDR) Regulations, 2018, we have included in the section titled “Basis for Issue Price” beginning on page 67 of this Draft Prospectus, information pertaining to the peer group entities of our Company. Such information has been derived from publicly available data of the peer group companies.

### Exchange Rates

This Draft Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI (ICDR) Regulations, 2018. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

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

Currency	December 31, 2018	March 31, 2018*	March 31, 2017	March 31, 2016
Euro	88.5488	80.6222	69.2476	75.0955
USD	69.7923	65.0441	64.8386	66.3329

Source: [www.rbi.gov.in/](http://www.rbi.gov.in/) <https://www.fbil.org.in>

\*As data for March 31, 2018 was not available, taken figure as on March 28, 2018

## FORWARD LOOKING STATEMENTS

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

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

1. General economic and business conditions in India;
2. Disruption in our manufacturing facilities.
3. Company’s ability to successfully implement its growth strategy and expansion plans.
4. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate,
5. Inability to successfully obtain registrations in a timely manner or at all;
6. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
7. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
8. Changes in laws and regulations relating to the industries in which we operate;
9. Effect of lack of infrastructure facilities on our business;
10. Occurrence of Environmental Problems & Uninsured Losses;
11. Intensified competition in industries/sector in which we operate;
12. Our ability to attract, retain and manage qualified personnel;
13. Failure to adapt to the changing technology in textiles industry may adversely affect our business and financial condition;
14. 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;
15. Conflicts of interest with affiliated companies, the promoter group and other related parties;
16. Any adverse outcome in the legal proceedings in which we are involved;
17. Our ability to expand our geographical area of operation;
18. Concentration of ownership among our Promoters.

For further discussion of factors that could cause our actual results to differ, see the Section titled “*Risk Factors*”; “*Our Business*” & and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 16, 80 & 158 respectively of the Draft Prospectus. By their nature, certain market risk disclosures are only estimating 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. There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

## SECTION II: SUMMARY OF DRAFT DOCUMENT

### (A) Primary business of the Issuer and the industry in which it operates

#### Summary of Primary Business of the Company

The Company was incorporated on 30<sup>th</sup> January, 2009. Since inception our Group were into the business of growing and exporting of fresh exotics English vegetables to European markets using imported Green Houses. We were operating our Business from our Company and our Group Companies Malnad Plantations (mainly into producing, marketing, selling and exporting of coffee & other plantation products and management of coffee estate and plantation land), Greens Nature's Fresh Farms Private Limited (Mainly into farming, sale of Agricultural products and Exports), Greens Natures Fresh Produce Private Limited (mainly into farming and sale of Agricultural products. The Company inter-alia is engaged in farm plantation, processing, logistics and deemed exports of vegetables including exotics and English vegetables and fruits) and Mamatha Speciality Foods Private Limited (mainly into processing and sale of Readymade packaged and processed food products). Earlier Exports were done from our Group Company Greens Nature's Fresh Farms Private Limited and deemed export from Greens Natures Fresh Produce Private Limited.

From 1<sup>st</sup> April 2018 all the business of Group Companies have been consolidated in our Company Greens Food Crafts India Ltd and all the business and exports activities are undertaken from this issuer company. Our company was founded with an intent to supply "*World Class Fresh Agricultural Produce*" to the overseas markets. We have been able to establish ourselves as player in the niche export markets. Having gained entry into the European market with our premium quality of products and consistency in supply, we have gained a reputation among the buyers as an exporter with consistent quality and on time delivery, a feat few in the Indian Fresh Export Produce Industry can achieve.

Our production units are located in the state of Karnataka to gain complete advantage of the availability of natural resources and convenient logistics. These locations were chosen initially because of the ready availability of water and skilled labour, which is a must have for an agricultural business. Prior to finalising the locations, necessary soil and water tests were conducted to check the compatibility of the soil for horticultural crops. The salubrious climate has proven to be an advantage for our business as the quality, colour, texture etc. of our products were found to be the best in class in our industry.

#### Summary of Industry of our Company

India can achieve a leadership position in the world food market and also meet its growing domestic demand, promises a report by CII-McKinsey, issued recently. The assurance is based, it says, on various steps to be taken on policy, with the active involvement of the private sector. The report titled the "Third Food and Agriculture Integrated Development Action Report (Faida-3), is jointly prepared by the Confederation of Indian Industry (CII) and consultants McKinsey & Company.

### (B) Names of the promoters:

- i) Arya Ved Trust,
- ii) Mr. Satish Madhavanarayanan and
- iii) Mr. Anil Chennalinge Gowda

### (C) Size of the issue

Our Company is proposing the Initial Public Issue of 35,12,400 Equity Shares of face value of Rs.10.00 each for cash at a price of Rs.117 per Equity Share including a Share Premium of Rs.107 per Equity Share (the "Issue Price") aggregating to Rs.4109.51 lakhs ("The Issue"), of which 1,76,400 Equity Shares of face value of Rs.10.00 each for cash at a price of Rs.117 per Equity Share including a Share Premium of Rs.107 per Equity Share aggregating to Rs.206.39 lakhs will be reserved for subscription by Market Maker to the issue (the "Market Maker Reservation Portion"). The issue less the Market Maker Reservation portion i.e. 33,36,000 Equity Shares of face value of Rs.10.00 each at a price of Rs.117 per Equity Share including a Share Premium of Rs.107 per Equity Share aggregating to Rs.3903.12 lakhs is herein after referred to as the "Net Issue". The Issue and the Net Issue will constitute 26.32 % and 25.00 % respectively of the Post Issue Paid up Equity Share Capital of our company.

### (D) Objects of the issue

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

(Rs. in Lakhs)

Particulars	Amount
A. Financing – Setting of New Collection Center (CC)	1,000.00
B. Financing – Expansion of Distribution Center (DC)	500.00
C. Financing – Expansion of Processing Center (PC)	577.67
D. Financing – Expansion of Simply Fresh Retail Store	541.50
E. Financing – Technology & Logistics Automation	600.00
F. General Corporate Expense	835.54
G. Issue Related Expense	55.00
<b>Total Proceeds of the Issue</b>	<b>4,109.51</b>

For further detailed information, please refer to chapter titled “*Objects of the Issue*” on page no. 54 of this Draft Prospectus.

**(E) Pre-Issue Shareholding of the Promoters and Promoter Group as on the date of this draft prospectus:**

Particulars	Pre-Issue		Post-Issue	
	Number of Shares	Percentage (%) holding	Number of Shares	Percentage (%) holding
<b>Promoters (A)</b>				
Arya Ved Trust	30,99,969	31.53	30,99,969	23.24
Mr. Anil Chennalinge Gowda	31	0.00	31	0.00
Mr. Satish Madhavanarayanan	1,55,000	1.58	1,55,000	1.16
<b>Total (A)</b>	<b>32,55,000</b>	<b>33.11</b>	<b>32,55,000</b>	<b>24.40</b>
<b>Promoter Group (B)</b>				
Greens Nature’s Fresh Farms Pvt Ltd.	22,78,500	23.18	22,78,500	17.08
Greens Natures Fresh Produce Pvt Ltd.	25,19,463	25.63	25,19,463	18.88
Mamatha Speciality Foods Pvt Ltd.	80,662	0.82	80,662	0.60
Malnad Pantations	16,97,653	17.27	16,97,653	12.72
<b>Total (B)</b>	<b>65,76,278</b>	<b>66.89</b>	<b>65,76,278</b>	<b>49.28</b>
<b>Total (A+B)</b>	<b>98,31,278</b>	<b>100.00</b>	<b>98,31,278</b>	<b>73.68</b>

**(F) Summary of Restated Financial Statements:**

Sr. No.	Particulars	31-12-2018	31-03-2018	31-03-2017	31-03-2016
1	Share Capital	31.71	10.00	10.00	10.00
2	Net worth	3,210.75	220.97	157.36	117.44
3	Revenue from operations	3,071.83	466.26	224.71	190.59
4	Profit After Tax	772.80	63.61	39.92	35.41
5	Earnings Per Share –Basic & Diluted	374.92	63.61	39.92	35.41
6	NAV per Equity Share	1,012.42	220.97	157.36	117.44
7	Total Borrowings	144.25	4.39	4.39	78.39

**(G) AUDITORS’ QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS.**

Independent Auditor’s Report on Restated Standalone Financials Statements issued by A Biyani & Co, Chartered Accountants contains following Qualifications;

As per Accounting Standard - 15 (Employee Benefits) issued by the Institute of Chartered Accountants of India, the company is required to assess its gratuity/leave encashment liability each year on the basis of actuarial valuation and make provision for gratuity liability. However, company has not provided for gratuity expenses in the financial statement and has not taken any actuarial valuation report upto year ending 31<sup>st</sup> March 2017. So to that extent the profit & loss account of the company does not represent true & fair result of the company performance.

**(H) SUMMARY OF OUTSTANDING LITIGATION**

Our Company and its Promoter are party to certain legal proceedings and claims in relation to certain civil, criminal and tax matters incidental to our business and operations. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Any adverse decision may render us liable to liabilities/penalties and may adversely affect our business and results of operations. A classification of these legal and other proceedings are given below:

Sr No.	Outstanding Litigations	Number of Matter	Financial Implications Quantifiable to the Extent (In Rs. )
	<b>Filed against the Company</b>		-
	<i>Civil</i>	-	-
	<i>Criminal</i>	1	-
	<i>Direct Tax</i>	3	81,250.00
	<i>Indirect Tax</i>	-	-
	<b>Total</b>	4	81,250.00
<b>2.</b>	<b>Filed by the Company</b>		
	<i>Civil</i>	-	-
	<i>Criminal</i>	-	-
	<i>Direct Tax</i>	-	-
	<i>Indirect Tax</i>	-	-
	<b>Total</b>	0	-
<b>3.</b>	<b>Filed against our Directors</b>		
	<i>Civil</i>	-	-
	<i>Criminal</i>	-	-
	<i>Direct Tax</i>	3	37,41,563.90
	<i>Indirect Tax</i>	-	-
	<b>Total</b>	3	37,41,563.90
<b>4.</b>	<b>Filed by our Directors</b>		
	<i>Civil</i>	-	-
	<i>Criminal</i>	-	-
	<i>Direct Tax</i>	-	-
	<i>Indirect Tax</i>	-	-
	<i>Others (Writ Petition)</i>	1	-
	<b>Total</b>	1	-
<b>5.</b>	<b>Filed against our Promoters</b>		
	<i>Civil</i>	-	-
	<i>Criminal</i>	-	-
	<i>Direct Tax</i>	3	37,41,563.90
	<i>Indirect Tax</i>	-	-
	<b>Total</b>	3	37,41,563.90
<b>6.</b>	<b>Filed by our Promoters</b>		
	<i>Civil</i>	-	-
	<i>Criminal</i>	-	-
	<i>Direct Tax</i>	-	-
	<i>Indirect Tax</i>	-	-
	<i>Others (Writ Petition)</i>	1	-
	<b>Total</b>	1	-

For further details in relation to legal proceedings involving our Company, Directors, Promoters and Group Companies please refer to chapter titled “*Outstanding Litigations and Material Developments*” and “*Risk Factors*” on page no. 166 and 16 of this Draft Prospectus.

**(I) CROSS REFERENCE TO THE SECTION TITLED RISK FACTORS:**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Prospectus. *For the details pertaining to the internal and external risk factors relating to the Company, kindly refer to the chapter titled “Risk Factors” beginning on page no. 16 of this Prospectus.*

**(J) SUMMARY OF CONTINGENT LIABILITY**

- NIL -



**(K) SUMMARY OF RELATED PARTY TRANSACTION**

Nature of Transaction	Period/ Year ended (Rs. in Lakhs)			
	31.12.2018	31.03.2018	31.03.2017	31.03.2016
<b>Loan Taken</b>	144.25	-	-	-
<b>Loan Repaid</b>	4.39	-	74.00	-

For Further details, please refer annexure 31, on page no. 154 of this draft prospectus.

**(L) DETAILS OF FINANCING ARRANGEMENT**

There are no financing arrangements whereby the Promoters, member of Promoter Group, the Directors of the Company which a Promoter of the Issuer, the Director of our Company and their relative have financed the purchase by any other person of securities of our Company other than in the normal course of Business of the Financing entity during the period of six months immediately preceding the date of filing of this Draft Prospectus.

**(M) COST OF ACQUISITION & WEIGHTED AVERAGE COST**

Sr. No.	Name of the Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in Rs)
1	Arya Ved Trust	30,99,969	0.00
2	Mr. Anil Chennalinge Gowda	31	0.32
3	Mr. Satish Madhavanarayanan	1,55,000	0.32

**(N) PRE-IPO PLACEMENT**

Our Company has not made any Pre-IPO Placement

**(O) ISSUE OF SHARE FOR CONSIDERATION OTHER THAN CASH**

Our Company has not issued shares for consideration other than cash during last one year other than the following:

Sr. No.	Name of Allottees	Date of Allotment	No of Shares Allotted
1.	Greens Nature's Fresh Farms Private Limited	22 <sup>nd</sup> August, 2018	73,500
2.	Greens Natures Fresh Produce Private Limited	22 <sup>nd</sup> August, 2018	81,273
3.	M/s Malnad Pantations, Partnership Firm	22 <sup>nd</sup> August, 2018	59,763
4.	Mamatha Speciality Foods Private Limited	22 <sup>nd</sup> August, 2018	2,602
<b>Total</b>			<b>2,17,138</b>

**(P) SPLIT / CONSOLIDATION**

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

## SECTION III: RISK FACTORS

### RISK FACTORS

*Any investment in equity securities involves a high degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with section titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 80 and 158 respectively, as well as the other financial and statistical information contained in this Draft Prospectus.*

*Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.*

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

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the consequences to you of an investment in the Equity Shares.*

*The financial information in this section is, unless otherwise stated, derived from our Restated Financial Statements prepared in accordance with Indian GAAP, as per the requirements of the Companies Act 2013 and SEBI (ICDR) Regulations. The risk factors have been determined based on their materiality. Some events may not be material individually but may be found to be material collectively, some events may have a material impact qualitatively instead of quantitatively and some events may not be material at present but may have material impacts in the future.*

#### **Materiality**

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

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

*Note: The risk factors are disclosed as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section. In this Draft Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” and elsewhere in this Draft Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in the Financial Statements prepared in accordance with the Indian Accounting Standards.*

## INTERNAL RISK FACTORS

### 1. *Our Company and its Promoter are party to certain legal proceedings.*

Our Company and its Promoter are party to certain legal proceedings and claims in relation to certain civil, criminal and tax matters incidental to our business and operations. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Any adverse decision may render us liable to liabilities/penalties and may adversely affect our business and results of operations. A classification of these legal and other proceedings are given below:

Sr No.	Outstanding Litigations	Number of Matter	Financial Implications Quantifiable to the Extent (In Rs. )
<b>1.</b>	<b>Filed against the Company</b>		-
	<i>Civil</i>	-	-
	<i>Criminal</i>	<b>1</b>	-
	<i>Direct Tax</i>	<b>3</b>	<b>81,250.00</b>
	<i>Indirect Tax</i>	-	-
	<b>Total</b>	<b>4</b>	<b>81,250.00</b>
<b>2.</b>	<b>Filed by the Company</b>		
	<i>Civil</i>	-	-
	<i>Criminal</i>	-	-
	<i>Direct Tax</i>	-	-
	<i>Indirect Tax</i>	-	-
	<b>Total</b>	<b>0</b>	<b>-</b>
<b>3.</b>	<b>Filed against our Directors</b>		
	<i>Civil</i>	-	-
	<i>Criminal</i>	-	-
	<i>Direct Tax</i>	<b>3</b>	<b>37,41,563.90</b>
	<i>Indirect Tax</i>	-	-
	<b>Total</b>	<b>3</b>	<b>37,41,563.90</b>
<b>4.</b>	<b>Filed by our Directors</b>		
	<i>Civil</i>	-	-
	<i>Criminal</i>	-	-
	<i>Direct Tax</i>	-	-
	<i>Indirect Tax</i>	-	-
	<i>Others (Writ Petition)</i>	<b>1</b>	-
	<b>Total</b>	<b>1</b>	<b>-</b>
<b>5.</b>	<b>Filed against our Promoters</b>		
	<i>Civil</i>	-	-
	<i>Criminal</i>	-	-
	<i>Direct Tax</i>	<b>3</b>	<b>37,41,563.90</b>
	<i>Indirect Tax</i>	-	-
	<b>Total</b>	<b>3</b>	<b>37,41,563.90</b>
<b>6.</b>	<b>Filed by our Promoters</b>		
	<i>Civil</i>		-
	<i>Criminal</i>		-
	<i>Direct Tax</i>		-
	<i>Indirect Tax</i>		-
	<i>Others (Writ Petition)</i>	<b>1</b>	-
	<b>Total</b>	<b>1</b>	<b>-</b>

For further details in relation to legal proceedings involving our Company, Directors, Promoters and Group Companies please refer to chapter titled “*Outstanding Litigations and Material Developments*” and “*Risk Factors*” on page no. 166 and 16 of this Draft Prospectus.

### 2. *Orders placed by customers may be delayed, modified, cancelled or not fully paid for by our customers, which may have an adverse effect on our business, financial condition and results of operations.*

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, may result in the postponement of the delivery of products or cause its cancellation. Further, since we do not execute contracts with our customers, the order could be cancelled or there could be changes in scope and / or scheduled delivery of the products. Accordingly, it is difficult to predict with certainty if, when, and to what extent we may be able to deliver the orders placed. Failure to deliver products

on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business.

In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. While we have not yet experienced any material delay, reduction in scope, cancellation, execution difficulty, delay or default in payment with regard to the orders placed with us, or any material disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income. Any delay, modification, cancellation of order by our large customers may have material adverse effect on our financial condition and results of operations.

**3. *Our funding requirements and deployment of the issue proceeds are based on management estimates and actual cost may vary compared with the estimated amount.***

Our funding requirement and deployment of the proceeds of the issue are based on management estimates and our current business plan. The fund requirements and intended use of proceeds have not been appraised by banks or financial institutions and are based on our estimates. In view of the highly competitive nature of the industry in which we operate, we may have to revise our management estimates from time to time and, consequently, our funding requirements may also change as a result of various factors which may not be within the control of our management. This may entail rescheduling, revising or cancelling the planned expenditure and fund requirement and increasing or decreasing the working capital limits maintained from time to time at the discretion of our board. In addition, schedule of implementation as described herein are based on management's current expectations and our subject to change due to various factors some of which may not be in our control. The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors and is not subject to monitoring by external independent agency. However, the deployment of funds is subject to monitoring by our Audit Committee.

**4. *Our Company had negative cash flow in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.***

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

Particulars	31-12-2018	31-03-2018	31-03-2017	31-03-2016
Net cash from operating activities	(695.16)	34.87	71.43	27.87
Net Cash (used in) / from investing activities	(1,512.46)	(30.38)	-	(28.65)
Net Cash used in financing activities	2,240.62	-	(74.00)	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>33.02</b>	<b>4.49</b>	<b>(2.57)</b>	<b>(0.78)</b>

**5. *Disqualification of Mr. Anil Chennalinge Gowda as per MCA records and subsequent removal of disqualification.***

Mr. Anil Chennalinge Gowda had been disqualified from being a director for the period of November 1, 2016 to October 31, 2021 in PODS BIOTECH PVT.LTD. (Status: Active) & TAAZA TARKARI AGRO PVT.LTD (Status: Struck Off) for violation of section 164(2)(a) of the Companies Act, 2013 and for the period of November 1, 2015 to October 31, 2020 in PODS BIOTECH PVT.LTD. (Status: Active) MALNAD GREENTECH PVT.LTD. (Status: Active) and PODS BIOTECH (INDIA) PVT.LTD. (Status: Active) for violation of section 164(2)(a) of the Companies Act, 2013. The Companies with the "Status: Active" had filed an application under the Condonation of Delay Scheme, 2018 and filed necessary returns and forms with ROC. Mr. Anil C Gowda has filed a Writ Petition No. 56201/2018 with the Hon'ble High Court of Karnataka at Bangalore under against his Disqualification from Directorship, the Hon'ble High Court has vide its Interim Order dated 17<sup>th</sup> December, 2018 has granted interim stay on the stated disqualification. As on date the DIN of Mr. Anil Chennalinge Gowda is Active.

**6. *Title of land on which agricultural activities are undertaken and other assets acquired for carrying on business activities are not owned by us***

Our company does not own any land and activity of growing agricultural produce is through lease of land from promoters and promoters group and family or/and through contract farming activity with the farmers. If lease agreement is cancelled due to any reason as stipulated in the lease agreement or any reason beyond the control of our Company, our business activities will be severely affected and adversely affect our financial position. Further, most of our assets are acquired by way of Business transfer Agreement from our Group Companies and title of the assets are not yet transferred to our Company.

**7. *Our insurance coverage may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.***

Our business, assets and vehicles could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which may not be fully compensated by insurance. There can be no assurance that the terms of our insurance policies will be adequate to cover any damage or loss suffered by our Company or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

Further, our Company is required to renew these insurance policies from time to time and in the event, we fail to renew the insurance policies within the time period prescribed in the respective insurance policies or not obtain at all, our Company may face significant uninsured losses. If our Company suffers a large uninsured loss or if any insured loss suffered, significantly exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected.

**8. *Certain qualifications have been noted by our Auditors in their report on the Restated Financial Statements for non-provision for Gratuity Payment as required under the Payment of Gratuity Act 1972 and as per Accounting Standard 15 (Employee Benefits)***

Our Auditors have provided certain qualifications in their report on the Restated Financial Statements for the period ended January 31, 2017 relating to the financial statements for our Company as follows: *As per Accounting Standard - 15 (Employee Benefits) issued by the Institute of Chartered Accountants of India, the company is required to assess its gratuity/leave encashment liability each year on the basis of actuarial valuation and make provision for gratuity liability. However, company has not provided for gratuity expenses in the financial statement and has not taken any actuarial valuation report upto year ending 31<sup>st</sup> March 2017. So to that extent the profit & loss account of the company does not represent true & fair result of the company performance.* Our Company has not complied with accounting standards 15 and Section 4A of the Payment of Gratuity Act, 1972, in the past. Although no show cause notice in respect of the same has been received by the Company till date., any penalty imposed for such non-compliance could affect our financial conditions to that extent.

**9. *Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.***

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

**10. *The requirements of being a public listed company may strain our resources and impose additional requirements.***

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchanges which require us to file unaudited financial results on a quarterly basis. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

**11. *Our Company has in the past entered into related party transactions and may continue to do so in the future.***

We have entered into and may in the course of our business continue to enter into transactions specified in the Restated Financial Information contained in this Draft Prospectus with related parties that include our Promoters and Directors and Group Companies. For further details in relation to our related party transactions, see "*Related Party Transactions*" on page 154 of this Draft Prospectus. While we believe that all such transactions have been conducted on an arm's length basis and in the ordinary course of business, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. 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 audit committee, the board of directors and shareholders for certain related party transactions. There can be no assurance that such transactions, individually or in the aggregate, will not have a material effect on our financial condition and results of operations.

**12. *Crops been perishable in nature, any inability on our part to deliver our crops at the right time in the markets could have a material adverse effect on our business, results of operation and financial condition.***

The crops which we produce are perishable in nature. Hence, we have to ensure that right quantity and quality of our crops reach the markets in a timely manner. Any interruption in supply of our crops to the various markets, due to any reason including those not within our control, could have a material adverse effect on our business, results of operation and financial condition.

- 13. *Monsoons and climate conditions may adversely affect our business, as agriculture business involves cultivation of crops and for watering the crops we are dependent on the monsoon, also extreme weather conditions may spoil the crops.***

Our business operations may be materially and adversely affected by uneven monsoon and erratic climatic, which may affect our agriculture produce. Meteorologically, our country has diversified and different weather conditions at different places. Sometimes, one region receives very heavy rainfall whereas other region receives scant rainfall. Any vagaries of weather and abnormal monsoon across the northern region may ruin crops and will also affect the business of the Company.

- 14. *Use of defective seeds could adversely affect our business and results of operation.***

Quality defects in seeds would directly affect the quality of our products. If defective or contaminated seeds are used by farmers at our farms, it may lead to a large-scale crop failure thus substantially increasing our potential liability. Further, in order to attain the desired levels of crop yield, certain precautions like utilization of the soil application, proper application of fertilizers, timely application of pesticides, timely supply of water *etc.* have to be followed. Moreover, weather conditions must be favourable. In the event of any failure on the part of the farmers, or adverse weather conditions, it may lead to loss of crops. Any of the aforesaid factors would have a material adverse effect on business, financial condition and results of operations.

- 15. *Non-removal of charge creation from MCA records***

A Charge was created on the Assets of our Company with respect to a loan availed from IDBI Bank to the tune of Rs. 128 Lakhs, which is still pending to be removed from ROC records. As per the NOC received from IDBI, the loan was closed on 11th January 2014. Our Company is in the process of filing the petition for condonation of delay with NCLT.

- 16. *We have not entered into any agreement with the suppliers for supply of planting input material etc. for our requirements. Any delay in entering into such agreements may delay the implementation schedule, which may also lead to increase in prices affecting our costs, revenue and profitability.***

We are yet to place orders and / or enter contracts for proposed inputs, for the Project, as specified in the "Objects of the Issue" on page 54 of this Draft Prospectus. Any delay in procurement of inputs may delay the implementation schedule. We may also be subject to risks on account of inflation in the price. Hence our Project could face time and cost over-run which could have an adverse effect on the operations of our Company. Negotiations in respect of specification with suppliers have been commenced and the agreements will be entered in due course once the negotiations are completed and Issue proceeds are procured.

- 17. *We face competition in our business from both domestic and international competitors. Such competition would have an adverse impact on our business and financial performance.***

We operate in a highly competitive environment. Principal products of our Company include herbs, vegetables, ginger, coffee, banana and wood plantation are produced by a number of agriculturists. Players in this market generally compete with each other on key attributes such as technical competence, quality of products, pricing and track record. We compete against our competitors on quality, technical competence, distribution channels and customer relationships. There is no assurance that we will continue to compete successfully in future. Some of our competitors may be able to price their products more attractively or may be able to distribute their products more effectively through establishing better distribution networks, or may have greater access to capital, superior research and development, marketing and other resources. Our inability to remain sufficiently competitive will adversely and materially affect our business and operating results. In addition, should there be any significant increase in global competition or if we are unable to meet the requirements of the changing market conditions, our business and operating results could be adversely affected. The occurrence of any of those events could have a material adverse effect on our ability to compete against our competitors, which would have an adverse impact on our business and financial performance.

- 18. *We are subject to fluctuations in agricultural commodity and other raw material prices caused by other factors outside of our control that could adversely affect our operating results.***

Prices for agricultural commodities and their by-products are often volatile and sensitive to local and international changes in supply and demand caused by factors outside of our control, government agriculture programs and policies, global inventory levels, weather and crop conditions and demand for and supply of, competing commodities and substitutes. These factors may cause volatility in our operating results.

- 19. *Government policies and regulations, particularly those affecting the agricultural sector and related industries, could adversely affect our operations and profitability.***

Agricultural commodity production and trade flows are significantly affected by government policies and regulations. Governmental policies affecting the agricultural industry, such as taxes, tariffs, duties, subsidies, import and export restrictions on agricultural commodities and commodity products and energy policies (including biofuels mandates), can influence industry profitability, the planting of certain crops versus other uses of agricultural resources, the location and size of crop production and the volume and types of imports and exports. In addition, international trade disputes can adversely affect agricultural commodity trade flows by limiting or disrupting trade between countries or regions.

Future governmental policies, regulations or actions affecting our industries may adversely affect the supply of, demand for and prices of our products, restrict our ability to do business and cause our financial results to suffer.

**20. *We are subject to food and feed industry risks.***

We are subject to food and feed industry risks which include, but are not limited to, spoilage, contamination, tampering or other adulteration of products, government regulation, including regulations regarding food and feed safety, shifting customer and consumer preferences and concerns. These matters could adversely affect our business and operating results.

**21. *Our earnings may be subject to seasonal variability.***

Our earnings may be affected by seasonal factors, including:

- the seasonality of our supplies and consumer demand;
- the ability to process products during critical harvest periods; and
- the timing and effects of ripening and perishability.

**22. *Increase in commodity or raw product costs, such as fuel, could adversely affect our operating results.***

Many factors may affect the cost and supply of fresh produce, including external conditions, commodity market fluctuations, changes in governmental laws and regulations, agricultural programs, severe and prolonged weather conditions, and natural disasters.

The price of various commodities can significantly affect our costs. The fuel costs have increased substantially in recent years, and there can be no assurance that there will not be further increases in the future. Any further increase in the prices of fuel will significantly impact our operating cost and transportation cost.

**23. *Increases in labour, personnel and benefits costs could adversely affect our operating results.***

We primarily utilize labour to grow, harvest and deliver our agriculture produce. Shortages of labour could delay our harvesting or processing activities or could result in increases in labour costs.

Our labour contractors and us may become subject to government mandated wage and benefit laws and regulations. For example, Minimum Wages Act, Contract Labour Abolition and Regulation Act.

**24. *The lack of sufficient water would severely impact our ability to produce crops.***

Our business operations are majorly dependent upon the sufficient water supply. As a player in agricultural industry, our operations are majorly impacted by the quantum of rainfall. Our business operations are adversely affected by uneven monsoon, which affects our agriculture produce.

India, predominantly an agriculture-based economy, is largely dependent on the monsoon. The agriculture sector is the backbone of the Indian economy and thus, monsoon is considered as the backbone of agriculture. The four-month South-West monsoon season, accounts for nearly 75 per cent of the country's total rainfall and plays a crucial role as about 55-60 per cent of the area sown is still rain-fed. India gets nearly 53 per cent of its agricultural produce from the kharif season (June-September) compared to the rabi season (November-February), where the production is around 47 per cent. The impact of the monsoon is also crucial for rabi crops as it has an impact on the ground water and also reservoirs which are critical for rabi crops irrigation.

Any variation in the rainfall and the changes in pattern of monsoon affect the availability of the water and thereby cause a negative impact on the agricultural produce.

**25. *We are subject to transportation risks.***

An extended interruption in our ability to ship our products could have a material adverse effect on our business, financial condition and results of operations. Similarly, any extended disruption in the distribution of our products could have a material adverse effect on our business, financial condition and results of operations. While we believe that we would attempt to transport our products by alternative means if we were to experience an interruption due to strike, natural disasters or otherwise, we cannot be sure that we would be able to do so or be successful in doing so in a timely and cost-effective manner.

**26. *We may not be able to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our businesses on time or at all. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may adversely affect our operations.***

We require consents, approval from regulatory authorities in connection with our Project. There can be no assurance that the consents or other approvals required from third parties, which include central, state and local governmental bodies, in connection with the construction and development of the project will be issued or granted to us in a timely manner or at all.

Even after we have obtained the required licenses, permits and approvals, our operations are subject to continued review and the governing regulations may change. We cannot assure you that we will be able to obtain or comply with all necessary licenses, permits and approvals in a timely manner to allow uninterrupted operations.

Furthermore, our government approvals and licenses are subject to numerous conditions, some of which are onerous and require us to incur substantial expenditure. We cannot assure you that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of noncompliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change, we may incur increased costs, be subject to penalties and suffer a disruption in our operations, any of which could materially and adversely affect our business and results of operations. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may adversely affect our operations.

For information on the status of our statutory approvals, please refer to "Government and Other Approvals" beginning on page no. 170 of this draft prospectus.

### External Risk Factors

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

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors, including political instability, terrorism or military conflict, global economic uncertainty and liquidity crisis and volatility in exchange currency rates. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows. Further, a change in the government or a change in the macro-economic policies may adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular. High rates of inflation in India may increase our costs without proportionately increasing our revenues thereby decreasing our operating margins which may adversely affect our business, financial conditions and results of operations.

In June 2016, a majority of voters in the United Kingdom elected to withdraw from the European Union in a national referendum. On March 29, 2017, the British Prime Minister delivered a notice to the European Council pursuant to Article 50 of the Treaty of the European Union to initiate the formal process of withdrawal from the European Union. The Article 50 notice dated March 29, 2017, started a two-year period for the United Kingdom to negotiate the terms of its exit from the European Union, although this period can be extended with the unanimous agreement of the European Council. The United Kingdom and the European Union are currently engaged in negotiations to structure their post-Brexit relationship, but significant uncertainty remains about the future relationship between the United Kingdom and the European Union. Further, starting from early 2018, U.S. announced the imposition of tariffs on goods from certain countries, such as China, entering the United States and recently both China and the U.S. have each imposed additional tariffs. The United States may also in the future impose tariffs on the importation of other products that may affect the global economy. Although we do not currently export any such products to the United States, it is not yet clear what impact these tariffs may have or what actions other governments, including the Chinese government, may take in retaliation. These developments have had and may continue to have a material adverse effect on global economic conditions and the stability of global and Indian financial markets and may significantly reduce global and Indian market liquidity and restrict the ability of key market participants to operate in certain financial markets.

For instance, in the second half of 2018, there has been significant volatility in the Indian stock markets due to the financial issues surrounding Infrastructure Leasing & Financial Services Limited as well as liquidity issues amongst financial institutions due to various factors.

**28. *Various trade restrictions and sanctions may materially and adversely affect our business, financial condition and results of operations.***

We are engaged in the business of food and agriculture business. Our business may be affected by trade restrictions implemented by countries or territories in which our customers are located. Further, we are subject to risks relating to changes in trade policies, tariff regulations, or other trade restrictions which can adversely impact trade volume between countries and within the country. At an international level, there may be trade restrictions imposed on sanctioned countries by other countries and international organizations, which may affect our business. In addition, international trade, political issues and conflicts may cause delays and interruptions to cross-border transportation and result in limitations on our geographical coverage. If we are unable to perform our services to and from countries with trade restrictions in a timely



manner or at all, it may lead to a decrease in our operating margins which may adversely affect our business, financial conditions and results of operations.

**29. *Our ability to raise capital outside India may be constrained by Indian law, which may adversely affect our financial condition, results of operations and prospects.***

Under India's policy on external commercial borrowing ("ECB"), as notified by the RBI and currently in force ("ECB Policy"), ECB by an eligible borrower under the manufacturing sector is permitted under the automatic route up to US\$ 750 million in a year, with a minimum average maturity of one year for ECB up to US\$ 50 million for companies in the manufacturing sector, three years for ECB up to US\$ 50 million and five years for ECB beyond US\$ 50 million, for permissible end-uses. End uses for ECB which are not permitted include investment in capital market, equity investment in India, working capital, general corporate purposes, repayment of existing Indian Rupee denominated borrowings, investment in real estate or purchase of land (except when used for affordable housing as defined in the Harmonised Master List of Infrastructure Sub-sectors notified by Government of India, construction and development of SEZ and industrial parks/integrated townships) and on-lending or investment for acquisition of a company or part thereof (other than an overseas subsidiary or joint venture, subject to existing laws and regulations governing overseas direct investment by Indian companies). Further, the ECB Policy limits the all-in-cost with a spread over 450 basis points per annum over the London Interbank Offered Rate for six months or applicable benchmark for the respective currency. ECB not complying with these requirements is permitted with prior approval of the RBI, in accordance with the ECB Policy. In addition, there are certain routine procedural and disclosure requirements in relation to any such ECB.

These limitations on ECB may constrain our ability to raise cost effective funding for implementing asset purchases, refinancing existing indebtedness, or financing acquisitions and other strategic transactions in the future, which may adversely affect our business, financial condition, results of operations and prospects.

**30. *Financial instability in other countries may cause increased volatility in the Indian financial markets. In the event that the current difficult conditions in the global credit markets continue or if there are any significant financial disruptions, such conditions may materially and adversely affect our business, future financial performance and the trading price of the Equity Shares.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Financial turmoil in Europe and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Recently, the currencies of a few Asian countries including India suffered depreciation against the U.S. Dollar owing to amongst other reasons, the announcement by the U.S. government reducing its quantitative easing measures.

A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions could occur again and may harm our business, future financial performance and the prices of the Equity Shares.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections. The dislocation of the sub-prime mortgage loan market in the United States since September 2008, and the more recent European sovereign debt crisis, has led to increased liquidity and credit concerns and volatility in the global credit and financial markets. These and other related events have had a significant adverse effect on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets. Recent concerns relating to the U.S. Federal Reserve's decision to raise interest rates in the United States have led to increased volatility, particularly in the stock and currency markets in emerging economies. 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 impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects, and therefore, if such liquidity and credit concerns, financial volatility or disruptions occur again, our business, our future financial performance and the prices of the Equity Shares may be adversely affected. Further, in the event that the current difficult conditions in the global credit markets continue or if there are any significant financial disruption, our lenders may implement new credit policies, adopt new pre-qualification criteria or procedures, raise interest rates or add restrictive covenants in loan agreements, some or all of which may significantly increase our financing costs. Such conditions may material and adversely affect our business, future financial performance and the trading price of the Equity Shares.

**31. *The occurrence of natural or man-made disasters may adversely affect our business, results of operations and financial condition.***

Given the nature of our operations and the mobility required in meeting customer demands, the occurrence of natural disasters, including hurricanes, floods, tsunamis, earthquakes, tornadoes, fires, explosions, pandemic disease and manmade

disasters, including acts of terrorism and military actions, may adversely affect our financial condition or results of operations. We are particularly susceptible to accidents, system failures, adverse geological, ecological or

weather conditions, natural disasters, demographic and population changes and other unforeseen events and circumstances across India. While we are covered by our insurance policies for such contingencies, any disruptions, damage or destruction of our facilities may temporarily affect our ability to meet our clients' demand and the loss of any one of our key clients or a significant reduction in demand from clients located in these locations may adversely affect our business, results of operations and financial condition.

**32. *Terrorist attacks, communal disturbances, civil terrorist attacks and other acts of violence or war involving may adversely affect the financial markets and our business.***

Terrorist attacks and other acts of violence or war may negatively affect the markets on which our Equity Shares trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, and adversely affect our business. Some of the locations we operate in have witnessed civil unrest including communal disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events may have a negative impact on us. Such incidents may also create a greater perception that investment in Indian companies involves a higher degree of risk and may have an adverse impact on our business and the price of our Equity Shares. Further, we cannot predict the effects on our business of heightened security measures, threatened terrorist attacks, efforts to combat terrorism, military action against a foreign state or other similar events. It is possible that one or more of these events could be directed at Indian or foreign ports, borders, railroads or highways. Heightened security measures or other events are likely to slow the movement of freight, within or across Indian States and may adversely affect our business and results of operations. Any of these events could also negatively affect the economy and consumer confidence, which could cause a downturn in the transportation industry. In addition, any deterioration in the relations between India and its neighbouring countries may result in investor concern about stability in the region, which may materially and adversely affect the price of our Equity Shares.

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

Our Company is incorporated under the laws of India. Our Company's assets are primarily located in India and all of our Directors and Key Managerial Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India. Recognition and enforcement of foreign judgements are provided for under Section 13 of the Civil Procedure Code ("CPC") on a statutory basis. Section 13 of the CPC provides that foreign judgements shall be conclusive regarding any matter directly adjudicated upon, except (i) where the judgement has not been pronounced by a court of competent jurisdiction; (ii) the judgement has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgement 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 judgement was obtained were opposed to natural justice; (v) where the judgement has been obtained by fraud; or (vi) where the judgement 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 judgement, presume that the judgement 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 has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, including the United Kingdom, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908 (the "Civil Code"). The Civil Code only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgment is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgment.

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

court would enforce a foreign judgement 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 judgements that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgement in India is required to obtain approval from the RBI under FEMA to execute such a judgement or to repatriate any amount recovered.

**34. *If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business and results of operations.***

Having our business operations in multiple jurisdictions, we are subject to varying central and state tax regimes. The applicable categories of taxes and tax rates also vary significantly from jurisdiction to jurisdiction, which may be amended from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each country 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 expenditure incurred. Our business and financial performance may be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business or the regulator enforcing them in any one of those countries may adversely affect our results of operations. For instance, as of July 1, 2017, GST in India replaced taxes levied by central and state governments with a unified tax regime in respect of the supply of goods and services for all of India, which we believe will result in fundamental changes to India's third-party logistics industry. To the extent that we are entitled to certain tax benefits in India which are available for a limited period of time, our profitability will be affected if such benefits will no longer be available, or are reduced or withdrawn prematurely or if we are subject to any dispute with the tax authorities in relation to these benefits or in the event we are unable to comply with the conditions required to be complied with in order to avail ourselves of each of these benefits. See "**Statement of Tax Benefits**" beginning on page 70 for details in relation to possible tax benefits available to our Company. In the event that any adverse development in the law or the manner of its implementation affects our ability to benefit from these tax incentives, our business, results of operations, financial condition and prospects may be adversely affected. Changes in the operating environment, including changes in tax law, could impact the determination of our tax liabilities for any given tax year. Taxes and other levies imposed by the Government of India that affect our industry include income tax, goods and services tax and other taxes, duties or surcharges introduced from time to time. The tax scheme in India is extensive and subject to change from time to time and any adverse changes in any of the taxes levied by the Government of India may adversely affect our competitive position and profitability. We cannot assure you that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the countries in which we operate may materially and adversely affect our business, results of operations and financial condition. In addition, we may have to incur expenditure to comply with the requirements of any new regulations, which may also materially harm our results of operations. We are also subject to these risks in all our overseas operations depending on each specific country. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities. As a result, any such changes or interpretations may adversely affect our business, financial condition and financial performance. Further, changes in capital gains tax or tax on capital market transactions or sale of shares may affect investor returns.

**35. *Our business and the price of the Equity Shares may be adversely affected by the implementation of GAAR.***

The Government of India has also proposed provisions relating to GAAR which came into effect from April 1, 2017. The GAAR provisions intend to catch arrangements declared as "impermissible avoidance arrangements", which is any arrangement the main purpose or one of the main purposes of which is to obtain a tax benefit and which satisfy atleast one of the following tests:

- (i) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length;
- (ii) results in misuse, or abuse, of the provisions of the tax laws;
- (iii) lacks commercial substance or is deemed to lack commercial substance, in whole or in part; or
- (iv) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes.

The onus to prove that the transaction is not an "impermissible avoidance agreement" is on the assessee, i.e., an arrangement shall be presumed, unless it is proved to the contrary by the assessee, to have been entered into, or carried out, for the main purpose of obtaining a tax benefit, if the main purpose of a step in, or a part of, the arrangement is to obtain a tax benefit, notwithstanding the fact that the main purpose of the whole arrangement is not to obtain a tax benefit. If GAAR provisions are invoked, then the tax authorities will have wide powers, including denial of tax benefit or a benefit under a tax treaty which may have an adverse tax impact on us.

**36. *Public companies in India, including our Company, are required to compute income tax under the ICDS. The transition to ICDS in India is very recent and we may be negatively affected by such transition.***

The Ministry of Finance had issued a notification dated March 31, 2015 notifying ICDS which creates a new framework for the computation of taxable income. However, the Central Board of Direct Taxes (“CBDT”), Ministry of Finance of India, according to its press release dated July 6, 2016, had deferred the applicability of the ICDS with fiscal 2017 being the first assessment year. ICDS deviates in several respects from concepts that are followed under general accounting standards, including Indian GAAP and IND AS. It is often seen that ICDS based calculations of taxable income can differ from Indian GAAP or IND AS-based concepts and they can have the effect of requiring taxable income to be recognized earlier, increasing overall levels of taxation or both. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operation and financial conditions.

**37. *Any further downgrading of our debt ratings or of India’s sovereign debt rating may adversely affect our business.***

Any downgrading of our credit ratings may increase interest rates on our outstanding debt, increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and materially and adversely affect our ability to raise new capital on a competitive basis, which may adversely affect our profitability and future growth. In addition, any adverse revisions to India’s credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available. This may materially and adversely affect our capital expenditure plans, business and future financial performance and our ability to fund our growth in future.

**38. *The ability of Indian companies to raise foreign capital may be constrained by Indian law.***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

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

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

**40. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

In the recent past, India has experienced fluctuating wholesale price inflation as compared to historical levels due to the global economic downturn. The annual rate of inflation was at 5.77% (provisional) for the month of June 2018 (over June 2017) as compared to 4.43% (provisional) for the previous month and 0.90% during the corresponding month of 2017. (Source: *Index Numbers of Wholesale Price in India, Review for the month of June 2018, published on July 16, 2018 by Government of India, Ministry of Commerce and Industry*). Continued high rates of inflation may increase our expenses related to salaries or wages payable to our employees, prices of raw materials or any other expenses that we incur. We cannot assure you that we will be able to pass on any additional expenses to our patients or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

**41. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies***

Fluctuation in foreign exchange rate may have an adverse effect on the landed cost for the imported component required in execution of EPC contracts awarded to us. Price of PV modules and other components are linked to global market. The exchange rate between the Rupee and the foreign currencies (USD/Euro/GBP, etc.) has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have adverse impact on the profitability of our company.

**Risks Relating to the Equity Shares and the Issue**

**42. *The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience ice and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. The Issue Price of the Equity Shares is proposed to be

determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. Further, the trading prices of publicly traded securities may be highly volatile. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors:

- a) Volatility in the Indian and global securities markets;
- b) Increases and decreases in our customer base or announcements of new services, strategic alliances or agreements by us or by our competitors;
- c) speculation in the press or investment community about, or actual changes in, our business, strategic position, market share, organizational structure, operations, financial condition, financial reporting and results, prospects, or executive team;
- d) changes in estimates of our performance by financial or securities analysts that elect to research and report on the Equity Shares or guidance provided by us, and variations between actual and estimated financial results;
- e) New laws and government regulations applicable to the industry we operate in;
- f) Additions or departures of key management personnel;
- g) Announcements by third parties of significant claims or proceedings against us;
- h) significant developments in India's economic liberalization and deregulation policies or significant developments in India's fiscal regulations or adoption or modification of regulations, policies, procedures or programs applicable to our businesses; or
- i) Adverse media reports on us or the sector we operate in.

General or industry-specific market conditions or stock market performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance may also affect the price of our Equity Shares. If the stock markets experience a loss of investor confidence, the trading price of our Equity Shares may decline for reasons unrelated to our business, financial condition or operating results. Each of these factors, among others, may adversely affect the trading price of our Equity Shares.

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

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction. Under the Companies Act, prior to issuance of any new equity shares, a public limited company incorporated under Indian law must offer its equity shareholders pre-emptive rights to subscribe to a proportionate number of equity shares to maintain existing ownership, unless such pre-emptive rights are waived by a special resolution by a three-fourths majority of the equity shareholders voting on such resolution. However, if you are a foreign investor and the law of the foreign jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such foreign jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file an offering document or a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company may be reduced.

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

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

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

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

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

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

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in our Company, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoters or other significant shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences for us including difficulty in raising debt or equity financing. In addition, any perception by investors that such issuances or sales might occur may also affect the trading price of our Equity Shares.

We cannot assure you that we will not offer Equity Shares or that our shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**47. *We may not receive final listing and trading approvals from the Stock Exchange and you will not be able to sell immediately on an Indian Stock Exchange any of the Equity Shares you are allotted in the Issue.***

Under the SEBI ICDR Regulations, we are permitted to list the Equity Shares within six working days of the Bid/Issue Closing Date. Consequently, the Equity Shares you purchase in the Issue may not be credited to your dematerialized electronic account with Depository Participants until approximately six working days after the Bid/Issue Closing Date. You can start trading in the Equity Shares only after they have been credited to your dematerialized electronic account and final listing and trading approvals are received from the Stock Exchanges. In accordance with Indian law and practice, final listing and trading approval of our Equity Shares will not be applied for, or granted until after those Equity Shares have been offered and allotted. Approval will require all other relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing our Equity Shares on the stock Exchange. There can be no assurance that final listing and trading approvals will be obtained from the Stock Exchange on time or at all. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares.

Further, there can be no assurance that the Equity Shares allocated to you will be credited to your dematerialized electronic account, or that trading in the Equity Shares will commence within the specified time periods. In addition, pursuant to India regulations, certain actions are required to be completed before the Equity Shares can be listed and trading may commence. Investors' book entry or dematerialized electronic accounts with Depository Participants in India are expected to be credited only after the date on which the Issue and allotment is approved by our Board of Directors. There can be no assurance that the Equity Shares allocated to prospective Investors will be credited to their dematerialized electronic accounts, or that trading will commence on time after allotment has been approved by our Board of Directors, or at all.

**48. *Our Equity Shares are quoted in Indian Rupees in India, and therefore investors may be subject to potential losses arising out of exchange rate risk on the Indian Rupee and risks associated with the conversion of Indian Rupee proceeds into foreign currency.***

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchange. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

49. *We have not paid any dividends in the last three fiscal years and the nine months ended December 31, 2018 and have not adopted a policy in relation to payment of dividends. Our ability to pay dividends in the future will depend on a number of factors, including, our profit after tax for the fiscal year, our future expansion plans and capital requirements, our financial condition and our cash flows and applicable taxes.*

We have not paid any dividends in the last three fiscal years and the nine months ended 31<sup>st</sup> December 2018 and have not adopted a policy in relation to the payment of dividends. For details, see “*Dividend Policy*” on page 132 of this draft prospectus. Our ability to pay dividends in the future will depend on a number of factors, including our profit after tax for the fiscal year, our future expansion plans and capital requirements, our financial condition, our cash flows and applicable taxes, including dividend distribution tax payable by our Company. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and subsequent approval of shareholders and will depend on factors that our Board and shareholders deem relevant. We may 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 at any point and in the future.

50. *Statistical and industry data in this Draft Prospectus may be inaccurate, incomplete or unreliable.*

We have not independently verified data obtained from industry publications and other sources referred to in this Draft Prospectus. This Draft Prospectus includes information that is derived from the website of IBEF and other relevant sources. Neither we, nor any of the BRLM, nor any other person connected with the Offer has verified the information in the website of IBEF and other sources. This information does not guarantee the accuracy, adequacy or completeness of the information and disclaims responsibility for any errors or omissions in the Information or for the results obtained from the use of the Information. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that information from website of IBEF are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Prospectus. Further, the IBEF Report is not a recommendation to invest or disinvest in our Company. Prospective investors are advised not to unduly rely on the information of IBEF or extracts thereof as included in this Draft Prospectus, when making their investment decisions.

**Prominent Notes:**

- This is an Initial Public Issue upto 35,12,400 Equity Shares of ₹ 10 each at a price of ₹ 117/- per Equity Share aggregating to ₹ 4109.51 Lakhs.
- For information on changes in our Company’s registered office please refer to the chapter titled “*Our History and Corporate Matters*” beginning on page 108 of the Draft Prospectus.
- Our Net Worth as per Restated Financial Statement as at December 31, 2018, March 31, 2018, March 31, 2017 and March 31, 2016 was ₹ 3210.75 Lakhs, ₹ 220.97 Lakhs, ₹ 157.36 Lakhs and ₹ 117.44 Lakhs respectively.
- As per Restated Financial Statement, the Net Asset Value per Equity Share as at December 31, 2018, March 31, 2018, March 31, 2017 and March 31, 2016 was ₹ 1012.42, ₹ 220.97, ₹ 157.36 and ₹ 117.44 respectively.
- Investors may contact the Lead Manager for any complaint pertaining to the Issue. All grievances relating to ASBA may be addressed to the Registrar to the Issue, with a copy to the relevant SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares for which the applied, Application Amounts blocked, ASBA Account number and the Designated Branch of the SCSBs where the ASBA Form has been submitted by the ASBA Applicant.
- The average cost of acquisition per Equity Share by our Promoters are set forth in the table below:

Name of the Promoters	No. of Equity Shares held	Average cost of Acquisition (in Rupees)
Arya Ved Trust	30,99,969	0.00
Mr. Anil Chennalinge Gowda	31	0.32
Mr. Satish Madhavanarayanan	1,55,000	0.32

For further details relating to the allotment of Equity Shares to our Promoter, please refer to the chapter titled “*Capital Structure*” beginning on page 43 **Error! Bookmark not defined.** of the Draft Prospectus.

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

8. All grievances in relation to the application through ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving details such as the full name of the sole or First Applicant, ASBA Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked and UPI ID used by the Retail Individual Investors. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove
9. The details of transaction by our Company are disclosed under Related Party Transactions in "***Financial Statements as Restated***" of our Company beginning on page 133 of this Draft Prospectus.



## SECTION IV: INTRODUCTION

### THE ISSUE

The following is the summary of the Issue.

<b>Issue of Equity Shares</b>	Upto 35,12,400 Equity Shares of Rs.10.00 each fully paid-up of our Company for cash at a price of Rs.117.00 each Equity Share aggregating to Rs.4109.51 Lakhs.
<b>Out of which:</b>	
<b>Market Maker Reservation Portion</b>	Upto 1,76,400 Equity Shares of Rs.10.00 each fully paid-up of our Company for cash at a price of Rs.117.00 each Equity Share aggregating to Rs.206.39 Lakhs.
<b>Net Issue to the Public</b>	Upto 33,36,000 Equity Shares of Rs.10.00 each fully paid-up of our Company for cash at a price of Rs.117.00 each Equity Share aggregating to Rs.3903.12 Lakhs.
<b>Out of which:</b>	
<b>Allocation to Retail Individual Investors for upto ₹2.00 lakh</b>	16,68,000 Equity Shares of Rs.10.00 each fully paid-up of our Company for cash at a price of Rs.117 each Equity Share aggregating to Rs.1951.56 Lakhs.
<b>Allocation to other investors for above ₹2.00 Lakhs</b>	16,68,000 Equity Shares of Rs.10.00 each fully paid-up of our Company for cash at a price of Rs.117 each Equity Share aggregating to Rs.1951.56 Lakhs.
<b>Pre and Post-Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue<sup>^</sup></b>	98,31,278 Equity Shares of Rs.10.00 each
<b>Equity Shares outstanding after the Issue<sup>*</sup></b>	1,33,43,678 Equity Shares of Rs.10.00 each
<b>Objects of the Issue</b>	Please refer to the section titled “ <i>Objects of the Issue</i> ” beginning on page 54 of this Draft Prospectus.
<b>Issue Open on</b>	[●]
<b>Issue Close on</b>	[●]

<sup>^</sup> Issue of Bonus Shares in the ratio of 30:1 (i.e., 30 equity shares for holder of each equity share is pending allotment)

<sup>\*</sup> Assuming Full Allotment

(1) The present Issue is being made by our Company in terms of Regulation 229 (2) of the SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-Issue paid-up equity share capital of our Company are being offered to the public for subscription

(2) This Issue is being made in terms of Section IX of the SEBI (ICDR) Regulations 2018, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per Regulation 253, sub regulation (2) of SEBI (ICDR) Regulations 2018, the allocation in the net issue to public category shall be made as follow:

(a) Minimum 50% to the Retail individual investors; and

(b) remaining to:

i. individual applicants other than retail individual investors; and

ii. other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for;

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

**Explanation:** For the purpose of Regulation 253, sub Regulation (2), if the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, the retail individual investors shall be allocated that higher percentage.

For further details, kindly refer the chapter titled “**Terms of the Issue**” beginning on page 187 of this Draft Prospectus.

## SUMMARY OF RESTATED FINANCIAL INFORMATION

<b>GREENS FOOD CRAFTS INDIA LIMITED</b>				
<b>RESTATED BALANCE SHEET</b>				
				<b>Annexure 1</b>
				(Amt. in Lakhs Rs.)
<b>PARTICULARS</b>	<b>AS AT</b>			
	<b>31<sup>st</sup> DEC</b>	<b>31<sup>st</sup> MARCH</b>		
	<b>2018</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>A) EQUITY AND LIABILITIES</b>				
<b>1. Shareholders' Fund</b>				
(a) Share Capital	31.71	10.00	10.00	10.00
(b) Reserves & Surplus	3179.04	210.97	147.36	107.44
-	<b>3210.75</b>	<b>220.97</b>	<b>157.36</b>	<b>117.44</b>
<b>2. Non-Current Liabilities</b>				
(a) Long Term Borrowings	28.06	4.39	4.39	78.39
(b) Deferred Tax Liabilities (Net)	-	-	-	-
(c) Long term provisions	17.64	2.32	-	-
(d) Other Long-Term Liabilities	-	-	-	-
	<b>45.70</b>	<b>6.71</b>	<b>4.39</b>	<b>78.39</b>
<b>3. Current Liabilities</b>				
(a) Short Term Borrowings	116.19	-	-	-
(b) Trade Payables	188.10	5.84	5.14	5.14
(c) Other Current Liabilities	16.80	-	-	-
(d) Short Term Provisions	83.52	5.85	5.38	1.73
	<b>404.61</b>	<b>11.69</b>	<b>10.52</b>	<b>6.87</b>
<b>Total</b>	<b>3,661.07</b>	<b>239.37</b>	<b>172.28</b>	<b>202.70</b>
<b>B) ASSETS</b>				
<b>1. Non-Current Assets</b>				
(a) Fixed Assets				
i) Tangible Assets	958.76	71.79	90.65	122.54
ii) Intangible Assets	-	-	-	-
	<b>958.76</b>	<b>71.79</b>	<b>90.65</b>	<b>122.54</b>
(b) Capital Work in Progress	605.74	46.32	15.95	15.95
(c) Non-Current Investment	-	-	-	-
(d) Long Term Loans and Advances	-	-	-	-
(e) Deferred Tax Assets (Net)	2.04	-	-	-
(f) Other Non-Current Assets	-	-	-	-
	<b>607.78</b>	<b>46.32</b>	<b>15.95</b>	<b>15.95</b>
<b>2. Current Assets</b>				
(a) Inventories	331.11	12.37	26.54	22.51
(b) Trade Receivables	1,568.55	98.18	32.92	32.92
(c) Cash and Bank Balances	37.65	4.64	0.15	2.71
(d) Short term loans & advances	88.45	5.25	5.25	5.25
(e) other current assets	68.76	0.81	0.81	0.81
	<b>2,094.52</b>	<b>121.25</b>	<b>65.67</b>	<b>64.20</b>
<b>Total</b>	<b>3,661.07</b>	<b>239.37</b>	<b>172.28</b>	<b>202.70</b>

<b>GREENS FOOD CRAFTS INDIA LIMITED</b>				
<b>RESTATED STATEMENT OF PROFIT AND LOSS</b>				
<b>Annexure 2</b>				
(Amt. in Lakhs Rs.)				
<b>PARTICULARS</b>	<b>FOR THE PERIOD ENDED</b>			
	<b>31<sup>st</sup> December</b>	<b>31<sup>st</sup> March</b>		
	<b>2018</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
1 Revenue from Operation	3,071.83	466.26	224.71	190.59
2 Other Income	12.15	-	-	-
<b>3 Total Revenue (1+2)</b>	<b>3,083.98</b>	<b>466.26</b>	<b>224.71</b>	<b>190.59</b>
<b>4 Expenditure</b>				
(a) Farming & Other Direct Expenses	1,901.70	299.58	132.34	112.24
(c) Changes in Inventories of stock-in-trade	(318.74)	14.17	(4.03)	(8.09)
(d) Employee Benefit Expenses	211.38	30.02	12.31	11.19
(e) Finance Cost	0.03	-	-	-
(f) Depreciation and Amortisation Expenses	64.03	18.86	31.89	30.30
(g) Other Expenses	427.47	40.02	12.28	10.46
<b>5 Total Expenditure 4(a) to 4(g)</b>	<b>2,285.87</b>	<b>402.65</b>	<b>184.79</b>	<b>156.10</b>
<b>6 Profit/(Loss) before exceptional items and tax (3-5)</b>	<b>798.11</b>	<b>63.61</b>	<b>39.92</b>	<b>34.49</b>
7 Less/(Add): Exceptional Items	-	-	-	<b>(0.92)</b>
<b>8 Profit/(Loss) before exceptional items and tax (6-8)</b>	798.11	63.61	39.92	35.41
<b>7 Tax Expense:</b>				
(a) Tax Expense for Current Year	25.31	-	-	-
(b) Short/(Excess) Provision of Earlier Year				
(c) Deferred Tax	-	-	-	-
Net Current Tax Expenses	25.31	-	-	-
<b>8 Profit/(Loss) for the Year (6-7)</b>	<b>772.80</b>	<b>63.61</b>	<b>39.92</b>	<b>35.41</b>
Earning per equity share in Rs.:				
(1) Basic	374.92	63.61	39.92	35.41
(2) Diluted	374.92	63.61	39.92	35.41

<b>GREENS FOOD CRAFTS INDIA LIMITED</b>				
<b>RESTATED CASH FLOW STATEMENT</b>				
<b>Annexure 3</b>				
<b>(Amt. in Lakhs Rs.)</b>				
PARTICULARS	FOR THE PERIOD ENDED			
	31ST DEC	31ST MARCH		
	2018	2,018	2,017	2,016
<b>A) Cash Flow from Operating Activities:</b>				
Net Profit after tax	772.80	63.61	39.92	35.41
Adjustment for:				
Depreciation	64.03	18.86	31.89	30.30
Interest Paid	0.03	-	-	-
Provision of Gratuity	16.30	2.49	-	-
Operating profit before working capital changes	853.16	84.96	71.81	65.71
<b>Changes in Working Capital</b>				
(Increase)/Decrease in Inventories	(318.74)	14.17	(4.03)	(8.09)
(Increase)/Decrease in Trade Receivables	(1,470.37)	(65.26)	-	(29.39)
(Increase)/Decrease in Short Term Loans & Advances	(83.20)	-	-	-
(Increase)/Decrease in Other Current Assets	(67.95)	-	-	-
(Increase)/Decrease in Other Non-Current Assets	-	-	-	-
Increase/(Decrease) in Trade Payables	182.26	0.70	-	0.43
Increase/(Decrease) in Other Current Liabilities	16.80	-	-	-
Increase/(Decrease) in Short Term Provisions	76.69	0.30	3.65	(0.79)
Increase/(Decrease) in Deposits	-	-	-	-
Increase/(Decrease) in DTA/DTL	-	-	-	-
Increase/(Decrease) in Short Term Borrowings	116.19	-	-	-
<b>Cash generated from operations</b>	(695.16)	34.87	71.43	27.87
Less: - Income Taxes paid				
<b>Cash Flow Before Extraordinary Item</b>	(695.16)	34.87	71.43	27.87
Extraordinary Items	-	-	-	-
<b>Net cash flow from operating activities</b>	<b>(695.16)</b>	<b>34.87</b>	<b>71.43</b>	<b>27.87</b>
<b>B) Cash Flow from Investing Activities:</b>				
Purchase of Fixed Assets	(951.00)	(30.38)	-	(28.65)
CWIP	(559.42)	-	-	-
NCA	-	-	-	-
DTA	(2.04)	-	-	-
<b>Net cash flow from investing activities</b>	<b>(1,512.46)</b>	<b>(30.38)</b>	<b>-</b>	<b>(28.65)</b>
<b>C) Cash Flow from Financing Activities:</b>				
Proceeds from issue of share capital	2,216.98	-	-	-
Increase/(Decrease) in Long Term Borrowings	23.67	-	(74.00)	-
Interest Paid	(0.03)	-	-	-
<b>Net cash flow from financing activities</b>	<b>2,240.62</b>	<b>-</b>	<b>(74.00)</b>	<b>-</b>
Net Increase/(Decrease) In Cash & Cash Equivalents	33.02	4.49	(2.57)	(0.78)
Cash equivalents at the beginning of the year	4.64	0.15	2.71	3.50
Cash equivalents at the end of the year	37.65	4.64	0.15	2.71

## SECTION V: GENERAL INFORMATION

### GENERAL INFORMATION

Our Company was incorporated on January 30, 2009, as "**Greens Processed Herbs Private Limited**" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Bangalore bearing Registration Number 049012. We subsequently changed the name of our Company from "**Greens Processed Herbs Private Limited**" to "**Greens Food Crafts India Private Limited**" pursuant to shareholders resolutions passed at the Extra Ordinary General Meeting held on April 29, 2013. A fresh Certificate of Incorporation consequent upon name change was granted to our Company on May 15, 2013 by the Registrar of Companies, Bangalore. Subsequently, our Company was converted into public limited company pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on April 06, 2019 and the name of our Company was changed to "**Greens Food Crafts India Limited**" vide a fresh Certificate of Incorporation dated April 29, 2019 issued by the Registrar of Companies, Bangalore. For further details, please refer to the section titled "History and Certain Corporate Matters" on page no. 108 of this Draft Prospectus.

For further details, please refer "**Our History and Certain Corporate Matters**" and "**Our Business**" on page no. 108 and 80 of this Draft Prospectus

<b>Brief Company and Issue Information</b>	
<b>Registered Office</b>	Greens Food Crafts India Limited 325/1, RVM Extension, 5 <sup>th</sup> Cross, 14 <sup>th</sup> Main, Sadashiva Nagar, Bangalore- 560080, Karnataka, India <b>Tel. No:</b> +91 080-41328285 <b>Fax No.</b> +91 080-41328142 <b>Website:</b> <a href="http://www.greensfoodcrafts.com">www.greensfoodcrafts.com</a> <b>Email:</b> <a href="mailto:info@greensfoodcrafts.com">info@greensfoodcrafts.com</a>
<b>Date of Incorporation</b>	January 30, 2009
<b>Registration Number</b>	049012
<b>Corporate Identification Number</b>	U01403KA2009PLC049012
<b>Company Category</b>	Company Limited by Shares
<b>Company Sub Category</b>	Indian Non-govt Company
<b>Address of Registrar of Companies</b>	Registrar of Companies, Karnataka, Bangalore 2nd Floor, Kendriya Sedan, Koramangala, Bengaluru-560034, Karnataka, India
<b>Designated Stock Exchange<sup>1</sup></b>	BSE Limited (SME Platform of BSE) P.J. Towers, Dalal Street, Mumbai – 400 001 <b>Website:</b> <a href="http://www.bseindia.com">www.bseindia.com</a>
<b>Company Secretary &amp; Compliance Officer</b>	[•] Greens Food Crafts India Limited 325/1, RVM Extension, 5 <sup>th</sup> Cross, 14 <sup>th</sup> Main, Sadashiva Nagar, Bangalore- 560080, Karnataka, India <b>Tel. No:</b> +91 080-41328285 <b>Fax No.</b> +91 080-41328142 <b>Email:</b> <a href="mailto:cs@greensfoodcrafts.com">cs@greensfoodcrafts.com</a>
<b>Chief Financial Officer</b>	Mr. Satish Madhavanarayanan Greens Food Crafts India Limited 325/1, RVM Extension, 5 <sup>th</sup> Cross, 14 <sup>th</sup> Main, Sadashiva Nagar, Bangalore- 560080, Karnataka, India <b>Tel. No:</b> +91 080-41328285 <b>Fax No.</b> +91 080-41328142 <b>Email:</b> <a href="mailto:cfo@greensfoodcrafts.com">cfo@greensfoodcrafts.com</a>

<sup>1</sup> In compliance with Regulation 230(1)(a) of SEBI (ICDR) Regulation, 2018, we had made an application to SME exchange of BSE Limited only for listing of our equity shares.

## ISSUE PROGRAMME

Issue Open Date	[●]
Issue Close Date	[●]
Finalisation of Basis of Allotment	[●]
Initiation of allotment/Refund/Unblock of ASBA Account	[●]
Credit of Equity shares in Demat of Allottees	[●]
Commencement of Trading	[●]

*Note: The above time table is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the SME Platform of BSE are taken within 6 working days of the issue closing date, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the BSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the BSE SME Exchange in accordance with the applicable laws.*

## BOARD OF DIRECTORS OF OUR COMPANY

Our Company's Board comprises of the following Directors:

Name	Designation	Address	DIN
Mr. Satish Madhavanarayanan	Managing Director & CFO	700, 11th Main Road, 5th block, Jayanagar Bengaluru - 560041, Karnataka, India	07552104
Mr. Anil Chennalinge Gowda	Non-Executive Director	#325/1, 14th Main, 5th Cross, RMV Extension, Sadashiva Nagar, Bengaluru 560080 Karnataka, India	05208453
Mr. Jagadeesh Bommegowda	Executive Director	#62, 80' Feet Road Mavallipura, Yelahanka, Bangalore North – 560089, India	08293531
Mrs. Meenakshi Gundlupet Venkatappa	Non-Executive Director	#588, 10th A Main, 5th Block, Jayanagar, Bangalore South, Bangalore 560041 Karnataka, India	08304644
Mrs. Prathima Gowda Kudige Gurappa	Non-Executive and Independent Director	Biraveshwar Gudda Estate, Yalagudige, Chickamagalur, Aldur, Chickamagalur-577111 Karnataka, India	08303477
Ms. Krithi Raj	Non-Executive and Independent Director	G1-Sai Leela Palace, Opp Bangalore City College, Chillakere, Bangalore North-560043, India	06644108

For further details of the Board of Directors, please refer to the section titled “**Our Management**” beginning on page 111 of this Draft Prospectus.

*Note: Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or the Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc. For all Issue related queries and for redressal of complaints, Applicants may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Lead Manager, who shall respond to the same.*

*All grievances in relation to the application through ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving details such as the full name of the sole or First Applicant, ASBA Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked and UPI ID used by the Retail Individual Investors. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.*

**Details of Key Intermediaries pertaining to this Issue and our Company:**

LEAD MANAGER	REGISTRAR TO THE ISSUE
<b>Finshore Management Services Limited</b> 2nd Floor, Block – A, Room No. 207, 227, A.J.C. Bose, Road, Kolkata – 700 020, West Bengal, India <b>Tel.:</b> +91–33- 2289- 5101 <b>Website:</b> <a href="http://www.finshoregroup.com">www.finshoregroup.com</a> <b>Email:</b> <a href="mailto:ramakrishna@finshoregroup.com">ramakrishna@finshoregroup.com</a> <b>Investor Grievance Email:</b> <a href="mailto:info@finshoregroup.com">info@finshoregroup.com</a> <b>Contact Person:</b> Mr. S. Ramakrishna Iyengar <b>SEBI Registration No:</b> INM000012185	<b>Integrated Registry Management Services (P) Ltd.</b> No 30 Ramana Residency, 4th Cross Sampige Road, Malleswaram, Bengaluru - 560 003 <b>Tel No:</b> 080-23460815-818: <b>Fax No:</b> 080-23460819 <b>Website:</b> <a href="http://www.integratedindia.in">www.integratedindia.in</a> <b>Email ID:</b> <a href="mailto:vijayagopal@integratedindia.in">vijayagopal@integratedindia.in</a> <b>Investor Grievance Email:</b> <a href="mailto:vijayagopal@integratedindia.in">vijayagopal@integratedindia.in</a> <b>Contact Person:</b> Mr. S Vijaya Gopal <b>SEBI Registration No:</b> INR0000544
LEGAL ADVISOR TO THE ISSUE	STATUTORY AUDITORS
<b>J Mukherjee &amp; Associates</b> 8A, 4th Floor, E-Block, Mercantile Buildings 9/12 Lal Bazar Street, Kolkata-700001 <b>Mob.:</b> +91- 9830640366 <b>Email:</b> <a href="mailto:jmalegal@outlook.com">jmalegal@outlook.com</a> <b>Contact Person:</b> Mr. Jayabrata Mukherjee	<b>Dinesh Bhatkal &amp; Associates, Chartered Accountants</b> No.295, 1st Main Road, 1st Block, Jakkasandra Extension, Bangalore - 560034, <b>Telephone:</b> 080 4150 7095 <b>Email:</b> <a href="mailto:dinesh.s.bhatal@gmail.com">dinesh.s.bhatal@gmail.com</a> <b>Firm registration no:</b> 104067 <b>Contact Person:</b> Mr. Dinesh Bhatkal
PEER REVIEW AUDITORS*	BANKER TO THE COMPANY
<b>A Biyani &amp; Co., Chartered Accountants Proprietor</b> Unit No. 411, Gundecha Industrial Complex, Akruhi Road, Next to Big Bazar, Kandivali-East, Mumbai-400101, Maharashtra <b>Contact Person:</b> Mr. Ashutosh Biyani <b>FRN No.</b> 140489W <b>Membership No.</b> 165017 <b>Peer Review Certificate No.</b> 140489W	[•]
BANKER TO THE ISSUE	SPONSOR BANK
<b>ICICI Bank Limited</b> Capital Market Division, 1 <sup>st</sup> Floor, 122 Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai – 400 020, <b>Contact Person:</b> Ms. Meghana Avala <b>Tel:</b> 022 66818933/23/24 <b>Fax:</b> 022 22611138 <b>Email:</b> <a href="mailto:meghana.avala@icicibank.com">meghana.avala@icicibank.com</a> Website: <a href="http://www.icicibank.com">www.icicibank.com</a> <b>SEBI Registration Number:</b> - INBI000000004	<b>ICICI Bank Limited</b> Capital Market Division, 1 <sup>st</sup> Floor, 122 Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai – 400 020, <b>Contact Person:</b> Ms. Meghana Avala <b>Tel:</b> 022 66818933/23/24 <b>Fax:</b> 022 22611138 <b>Email:</b> <a href="mailto:meghana.avala@icicibank.com">meghana.avala@icicibank.com</a> Website: <a href="http://www.icicibank.com">www.icicibank.com</a> <b>SEBI Registration Number:</b> - INBI000000004

\* *A Biyani & Co., are appointed as Peer Review auditors of our Company in compliance with Regulation 229(3)(b) of Chapter IX of SEBI (ICDR) Regulations 2018 and hold a valid peer review certificate No. 140489W dated December 18, 2018 issued by the “Peer Review Board” of the ICAI.*

**STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES**

Finshore Management Services Limited is the sole Lead Manager to this Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

**SELF CERTIFIED SYNDICATE BANKS (“SCSBs”)**

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> as 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 and updated from time to time, please refer to the above-mentioned link.

**REGISTERED BROKERS**

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of the BSE at [www.bseindia.com/Markets/PublicIssues/brokercentres\\_new.aspx?](http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?), as updated from time to time.

**BROKER CENTERS/ DESIGNATED CDP LOCATIONS/ DESIGNATED RTA LOCATIONS**

Investors can submit Application Forms in the issue using the sub broker’s network of the stock exchange i.e. through the registered brokers at the Broker Centers. The list of registered brokers, including details such as postal address, telephone

number and email address is provided on the website of the National Stock Exchange of India as updated from time to time, in relation to ASBA application, submitted to the registered broker centers. The list of branches of the SCSB, the Broker Center named by respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

#### **COLLECTING DEPOSITORY PARTICIPANTS**

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms through CDPs who are depository participants registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

The list of the CDPs eligible to accept application forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of BSE, i.e., [www.bseindia.com](http://www.bseindia.com) as updated from time to time.

#### **INVESTORS BANKS OR ISSUER BANKS FOR UPI**

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above mentioned SEBI link.

#### **BROKERS TO THE ISSUE**

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

#### **CREDIT RATING**

This being an Issue of Equity Shares, credit rating is not required.

#### **TRUSTEES**

As the Issue is of Equity Shares, the appointment of trustees is not required.

#### **DEBENTURE TRUSTEES**

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

#### **IPO GRADING**

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

#### **FILING OF DRAFT PROSPECTUS/PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES**

The Draft Prospectus is being filed with BSE Limited, P.J. Towers, Dalal Street, Mumbai – 400 001.

A copy of the Draft Prospectus shall not be filed with the SEBI, nor will SEBI issue any observation on the Draft Prospectus in term of Regulation 246 of the SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at the Securities and Exchange Board of India, Corporation Finance Department, 2nd Floor, Jeevan Mangal Building, No.4, Residency Road, Bengaluru - 560025, Karnataka, India for their record purpose only.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, Karnataka situated at 2nd Floor, Kendriya Sedan, Koramangala, Bengaluru-560034, Karnataka, India and SEBI Southern Regional Office, 7th Floor, 756-L, Anna Salai, Chennai - 600002, Tamil Nadu, India for their record purpose only..

#### **MONITORING AGENCY**

As per regulation 262(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs.10,000 Lakhs. Since the Issue size is only of Rs.4109.51 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.



Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Prospectus.

#### APPRAISING ENTITY

No appraising entity has been appointed in respect of any objects of this Issue.

#### CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

There have been no changes in the Auditors in last three financial years preceding the date of this Draft Prospectus.

#### EXPERT OPINION

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

Our Company has received written consent from the Peer Review Auditors namely, A Biyani & Co., Chartered Accountant to include their name as an “expert” as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations and as defined under Section 2(38) of the Companies Act, 2013, in respect of the reports of the Restated Financial Statements, dated 25<sup>th</sup> May 2019 and the statement of special tax benefits dated 25<sup>th</sup> May 2019, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

#### WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the LM, 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 any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, 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 advertisements have appeared and the Stock Exchange will also be informed promptly. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraw the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares offered through the Draft Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

#### UNDERWRITER

In terms of Regulation 260 (1) of the SEBI (ICDR) Regulations, 2018, the initial public offer shall be underwritten for hundred per cent of the offer and shall not be restricted upto the minimum subscription level and as per sub regulation (2) The lead manager(s) shall underwrite at least fifteen per cent. of the issue size on their own account(s).

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated [●] and pursuant to the terms of the underwriting agreement, obligations of the underwriters are Subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite following number of specified securities being offered through this Issue.

Name, Address, Telephone, Facsimile, and Email of the Underwriters	Indicated No. of Equity Shares to be Underwritten	Amount Underwritten (in Lakh)	% of the total Issue size Underwritten
<b>Finshore Management Services Limited</b> Anandlok, Block-A, 2nd Floor, Room No. 207, 227 A.J.C. Bose Road, Kolkata-700020, India <b>Tel.:</b> +91-33-22895101 <b>Website:</b> info@finshoregroup.com <b>Email:</b> ramakrishna@finshoregroup.com <b>Investor Grievance Email:</b> info@finshoregroup.com <b>Contact Person:</b> Mr. S. Ramakrishna Iyengar <b>SEBI Registration No:</b> INM000012185	35,12,400 <sup>^</sup>	4109.51	100%

<sup>^</sup> Includes 1,76,400 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to comply with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.

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

#### DETAILS OF MARKET MAKING ARRANGEMENT FOR THIS ISSUE

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

<b>Name</b>	[•]
<b>Address</b>	[•]
<b>Telephone</b>	[•]
<b>Facsimile</b>	[•]
<b>E-mail</b>	[•]
<b>Contact Person</b>	[•]
<b>Market Maker Registration No.</b>	[•]

[•] will act as the market maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

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

- *In terms of regulation 261(1) of SEBI ICDR Regulations 2018, the Market Making arrangement through the Market Maker will be in place for a period of three years from the date of listing of our Equity Shares and shall be carried out in accordance with SEBI ICDR Regulations and the circulars issued by the BSE and SEBI regarding this matter from time to time.*
- *In terms of regulation 261(2) of SEBI ICDR Regulations 2018, The market maker or issuer, in consultation with the lead manager(s) may enter into agreements with the nominated investors for receiving or delivering the specified securities in market making, subject to the prior approval of the SME exchange.*
- *In terms of regulation 261(3) of SEBI ICDR Regulations 2018, Following is a summary of the key details pertaining to the Market Making arrangement*
  1. The Market Maker [•] shall be required to provide a two-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
  2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of BSE SME and SEBI from time to time.
  3. The Market Maker is required to comply with SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012 and SEBI ICDR Regulations.
  4. The minimum depth of the quote shall be Rs.1.00 Lakh. However, the investors with holdings of value less than Rs. 1.00 Lakh shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
  5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
  6. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on BSE SME (in this case currently the minimum trading lot size is 2,000 equity shares; however, the same may be changed by the BSE SME from time to time).
  7. The shares of the Company will be traded in Trade for Trade Segment for the first 10 days from commencement of trading (as per SEBI Circular no: CIR/MRD/DP/ 02/2012 dated January 20, 2012) on SME Platform of BSE and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.

8. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the SME Exchange.
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
10. In terms of regulation 261(6) of SEBI ICDR Regulations 2018, Market Maker shall not buy the Equity Shares from the Promoters or Persons belonging to promoter group of Greens Food Craft India Limited or any person who has acquired shares from such promoter or person belonging to promoter group, during the compulsory market making period.
11. In terms of regulation 261(7) of SEBI ICDR Regulations 2018, The Promoters' holding of Greens Food Craft India Limited shall not be eligible for offering to the Market Maker during the Compulsory Market Making Period. However, the promoters' holding of Greens Food Craft India Limited which is not locked-in as per the SEBI (ICDR) Regulations, 2018 as amended, can be traded with prior permission of the SME Platform of BSE, in the manner specified by SEBI from time to time.
12. The Lead Manager may be represented on the Board of the Issuer Company in compliance with Regulation 261 (8) of SEBI (ICDR) Regulations, 2018.
13. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer Company at any particular level and is purely supposed to facilitate liquidity on the counter of Greens Food Craft India Limited via its 2-way quotes. The price of the Equity Shares shall be determined and be subject to market forces.
14. **Risk containment measures and monitoring for Market Maker:** BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
15. **Punitive Action in case of default by Market Maker(s):** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case they are not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

The Market Maker(s) shall have the right to terminate said arrangement by giving three month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the relevant laws and regulations applicable at that particulars point of time.
16. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction
17. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:

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

18. All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.
19. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹250 crores, the applicable price bands for the first day shall be:
- i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
- *In terms of regulation 261(4) of SEBI ICDR Regulations 2018, The specified securities being bought or sold in the process of market making may be transferred to or from the nominated investors with whom the lead manager(s) and the issuer have entered into an agreement for market making: Provided that the inventory of the market maker, as on the date of allotment of the specified securities, shall be at least five per cent. of the specified securities proposed to be listed on SME exchange.*

*In terms of regulation 261(5) of SEBI ICDR Regulations 2018, The market maker shall buy the entire shareholding of a shareholder of the issuer in one lot, where the value of such shareholding is less than the minimum contract size allowed for trading on the SME exchange: Provided that market maker shall not sell in lots less than the minimum contract size allowed for trading on the SME exchange.*

## SECTION VI: CAPITAL STRUCTURE

Our Share capital structure before the Issue and after giving effect to the Issue, as at the date of this Draft Prospectus, is set forth below:

Amount (Rs. in Lakh, except share data)

Sl. No.	Particulars	Aggregate Nominal Value (Rs.)	Aggregate Value at Issue Price (Rs.)
A.	<b>Authorized Share Capital</b>		
	1,40,00,000 Equity Shares of ₹10.00 each#	1400.00	-
B.	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Issue</b>		
	98,31,278 Equity Shares of ₹10.00 each^	983.13	-
C.	<b>Present Issue in terms of the Draft Prospectus</b>		
	Fresh Issue of 35,12,400 Equity Shares of Rs.10.00 each for cash at a price of ₹117 per share	351.24	4109.51
	<b>Which Comprises</b>		
D.	<b>Reservation for Market Maker portion</b>		
	1,76,400 Equity Shares of Rs.10.00 each at a premium of ₹107 per Equity Share	17.64	206.39
E.	<b>Net Issue to the Public</b>		
	33,36,000 Equity Shares of Rs.10.00 each at a premium of ₹107 per Equity Share	333.60	3903.12
	<b>of which</b>		
	16,68,000 Equity Shares of face value of ₹ 10 each at a premium of ₹ 107/- per Equity Share will be available for allotment to Retail Individual Investors of up to ₹ 2.00 lakhs	166.80	1951.56
	16,68,000 Equity Shares of ₹10.00 each at a premium of Rs. 107 per Equity Share will be available for allocation for allotment to Other Investors above ₹ 2.00 lakhs	166.80	1951.56
F.	<b>Paid up Equity capital after the Issue</b>		
	1,33,43,678 Equity Shares of ₹10.00 each^	1334.37	
G.	<b>Securities Premium Account</b>		
	Before the Issue	1243.85	
	After the Issue	5002.12	

# Relevant ROC forms like SH7 has been filed along with submission of payment but pending approval from ROC.

^ Bonus issue of 30:1 (i.e., Issue of 30 equity shares for holder of each equity share is pending allotment)

**Notes:**

- \* For detailed information on the Net Issue and its allocation various categories, please refer chapter titled “**The Issue**” on page no. 31 of this Draft Prospectus.
- \* The present Issue of 35,12,400 Equity Shares in terms of Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors dated May 25, 2019 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extra-ordinary General Meeting (EGM) of the members held on June 04, 2019.
- \* Our company has only one class of shares i.e. Equity Shares of Rs. 10/- each only and all Equity Shares are ranked pari passu in all respect. All Equity Shares issued are fully paid-up as on date of the Draft Prospectus.
- \* Our Company does not have any outstanding convertible instruments as on the date of the Draft Prospectus.

### 1. Details of changes in Authorized Share Capital of Our Company since incorporation

Date of Shareholder's approval	EGM/AGM/ Postal Ballot	Authorised Share Capital (Rs.)	Details of change
On Incorporation	--	10,00,000	Authorised share capital of the Company was Rs. 10.00 Lakhs divided into 1,00,000 Equity Shares of Rs. 10.00 each.
March 16, 2018	EOGM	35,00,000	Increase in authorised share capital from Rs. 10,00,000 divided into 1,00,000 equity shares of Rs.10.00 each to ₹ 35,00,000 divided into 3,50,000 equity share of Rs.10.00 each.

June 04, 2019#	EOGM	14,00,00,000	The authorized share capital of the Company increased from ₹ 35,00,000/- divided into 3,50,000 equity shares of ₹ 10/- each to ₹ 14,00,00,000/- divided into 1,40,00,000 equity shares of ₹ 10/- each.
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# Relevant ROC forms like SH7 has been filed along with submission of payment but pending approval from ROC.

## Notes to Capital Structure

### 1. Share capital history of our Company

#### a. Equity share capital history of our Company

The following is the history of the equity share capital of our Company:

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (Rs.)	Issue Price per Equity Share (Rs.)	Nature of Consideration (Cash/ Other than Cash)	Nature of allotment	Cumulative Number of Equity Shares	Cumulative Share Capital (Rs.)	Cumulative Share Premium (Rs.)
Upon Incorporation	1,00,000	10	10	Cash	Subscription to MOA	1,00,000	10,00,000	-
August 22, 2018	73,500	10	1021	Other than Cash	Slump Sale (Preferential allotment)	1,73,500	17,35,000	7,43,08,500
August 22, 2018	81,273	10	1021	Other than Cash	Slump Sale (Preferential allotment)	2,54,773	25,47,730	15,64,75,503
August 22, 2018	59,763	10	1021	Other than Cash	Slump Sale (Preferential allotment)	3,14,536	31,45,360	21,68,95,896
August 22, 2018	2,602	10	1021	Other than Cash	Slump Sale (Preferential allotment)	3,17,138	31,71,380	21,95,26,518
June 04, 2019	95,14,140	10	--	Other than Cash	Bonus Issue§	98,31,278	9,83,12,780	12,43,85,118

§ Bonus issue of 30:1 (i.e., Issue of 30 equity shares for holder of each equity share is pending allotment)

#### Notes:

- Initial Subscribers to the MOA subscribed to 1,00,000 (One Lakhs only) Equity Shares of face value of ₹ 10/- each as per the details given below:

S. No.	Name of the Subscriber to MOA	No of Shares Allotted
1.	Ramesh Gowda	99,000
2.	Ramya G C	1000
<b>Total</b>		<b>1,00,000</b>

- Further Allotment of 2,17,138 Equity Shares of face value of ₹10/- each fully paid as per the details given below:

Sr. No.	Name of Allottees	No of Shares Allotted
1.	Greens Nature's Fresh Farms Private Limited	73,500
2.	Greens Natures Fresh Produce Private Limited	81,273
3.	M/s Malnad Pantations, Partnership Firm	59,763
4.	Mamatha Speciality Foods Private Limited	2,602
<b>Total</b>		<b>2,17,138</b>

- Bonus Issue on 04<sup>th</sup> June 2019: 95,14,140 shares @ Rs. 10 issued by capitalization of reserved in the ratio of 1:30 to existing shareholders

<i>Sr. No.</i>	<i>Name of Allottees</i>	<i>No of Shares Allotted</i>
1.	<i>Arya Ved Trust</i>	<i>29,99,970</i>
2.	<i>Mr. Anil Chennalinge Gowda</i>	<i>30</i>
3.	<i>Greens Nature's Fresh Farms Private Limited</i>	<i>22,05,000</i>
4.	<i>Greens Natures Fresh Produce Private Limited</i>	<i>24,38,190</i>
5.	<i>M/s Malnad Pantations, Partnership</i>	<i>16,42,890</i>
6.	<i>Mamatha Speciality Foods Private Limited</i>	<i>78,060</i>
7.	<i>Mr. Satish Madhavanarayanan</i>	<i>1,50,000</i>
	<b>Total</b>	<b>95,14,140</b>

3. Our Company has not issued Equity Shares for consideration other than cash as on the date of this Draft Prospectus other than the following:

<i>Sr. No.</i>	<i>Name of Allottees</i>	<i>Date of Allotment</i>	<i>No of Shares Allotted</i>
1.	<i>Greens Nature's Fresh Farms Private Limited</i>	<i>22<sup>nd</sup> August, 2018</i>	<i>73,500</i>
2.	<i>Greens Natures Fresh Produce Private Limited</i>	<i>22<sup>nd</sup> August, 2018</i>	<i>81,273</i>
3.	<i>M/s Malnad Pantations, Partnership Firm</i>	<i>22<sup>nd</sup> August, 2018</i>	<i>59,763</i>
4.	<i>Mamatha Speciality Foods Private Limited</i>	<i>22<sup>nd</sup> August, 2018</i>	<i>2,602</i>
	<b>Total</b>		<b>2,17,138</b>

4. Except as mentioned in pt.no.2 above our Company has not issued any Equity Shares.
5. Our Company does not have any preference share capital as on the date of this Draft Prospectus.
6. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 and Sections 230 to 234 of the Companies Act, 2013.
7. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
8. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
9. Our Company has not made any issue of specified securities at a price lower than the issue price since incorporation.
10. Build-up of our Promoters Shareholding, Promoter's Contribution and Lock-in
- a. Build-up of our Promoters shareholding in our Company

The current promoters of our Company are Arya Ved Trust (represented by Trustees Mr. Jagadeesh Bommegowda and Mrs. Meenakshi Gundlupet Venkatappa), Mr. Anil Chennalinge Gowda and Mr. Satish Madhavanarayanan.

As on the date of this Draft Prospectus, Our Promoters (i) Arya Ved Trust represented by Mr. Jagadeesh Bommegowda and Mrs Meenakshi Gundlupet Venkatappa holds 30,99,969 Equity Shares, which constitutes 31.53 % of the issued, subscribed and paid-up Equity Share capital of our Company, (ii) Mr. Anil Chennalinge Gowda holds 31 Equity Shares, which constitutes 0.00 % of the issued, subscribed and paid-up Equity Share capital of our Company and (iii) Mr. Satish Madhavanarayanan holds 1,55,000 Equity Shares, which constitutes 1.58% of the issued, subscribed and paid-up Equity Share capital of our Company.

None of the Equity Shares held by our Promoters is subject to any pledge.

Set forth below is the build-up of the equity shareholding of our Promoters, since the incorporation of our Company.

Date of Allotment/ Acquisition/Sale	Number of Equity Shares	Face Value (₹)	Issue/ Acquisition/ Sale Price per Equity Share (Rs.)	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital	Source of Funds
<b>Arya Ved Trust</b>								
01.04.2017	99,000	10	Nil	Other than Cash*	Share transferred from Ramesh Gowda	1.02	0.75	NA
01.04.2017	999	10	Nil	Other than Cash*	Share transfer from Ms. Ramya GC	0.01	0.01	NA
04.06.2019	29,99,970	10	Nil	Other than Cash	Bonus Issue	30.51	22.49	NA
<b>Total</b>	<b>30,99,969</b>					<b>31.53</b>	<b>23.24</b>	

\* Transfer vide Trust deed executed on 1<sup>st</sup> April, 2017.

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital	Source of Funds
<b>Mr. Anil Chennalinge Gowda</b>								
01.04.2017	1	10	10	Cash	Share transfer from Ms. Ramya GC	Negligible	Negligible	NA
04.06.2019	30	10	N. A.	Other than Cash	Bonus Issue	Negligible	Negligible	NA
<b>Total</b>	<b>31</b>					<b>Negligible</b>	<b>Negligible</b>	

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of Transaction	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital	Source of Funds
<b>Mr. Satish Madhavanarayanan</b>								
21.05.2019	5000	10	1021	Cash	Transfer from Malnad Pantations, Partnership Firm	-0.05%	-0.04%	NA
04.06.2019	1,50,000		N. A.	Other than Cash	Bonus Issue	1.53	1.12	
<b>Total</b>	<b>1,55,000</b>							

All the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares. Our Promoter have confirmed to our Company and the Lead Manager that the Equity Shares held by our Promoter have been financed from their owned funds, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed of by them for such purpose.

As on the date of this Draft Prospectus, our Promoter does not hold any preference shares in our Company. As on date, Equity Shares of our Promoters are not pledge.

b. Details of Promoters' Contribution Locked-in for Three (3) Years

Pursuant to Regulations 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the fully diluted post- Issue Equity Share capital of our Company held by our Promoters shall be considered as the minimum Promoter's contribution ("**Promoters Contribution**") and shall be locked- in for a period of three (3) years from the date of Allotment of equity shares issued pursuant to this Issue. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Draft Prospectus, our Promoters collectively hold 32,55,000, Equity Shares constituting 33.11 % of



the Post-Issue issued, subscribed and paid-up Equity Share capital of our Company, which are eligible for the Promoters' Contribution.

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

Our Promoters have consented to the inclusion of such number of the Equity Shares held by them, in aggregate, as may constitute 20% of the post-Issue capital of our Company as Promoters' contribution and the Equity Shares proposed to form part of Promoters' contribution subject to lock-in shall not be disposed of/ sold/ transferred by our Promoters during the period starting from the date of filing this Draft Prospectus with the Stock Exchange until the date of commencement of the lock-in period.

Accordingly, Equity Shares aggregating to 20% of the post-Issue capital of our Company, held by our Promoters shall be locked-in for a period of three (3) years from the date of Allotment in the Issue as follows:

Details of Promoter's Contribution							
Date on which the Equity Shares were Allotted	Nature of Acquisition	Nature of Consideration (Cash/Other than Cash)	Number of Equity Shares Allotted	Face Value (₹)	Issued Price (₹)	% of post-Issue share capital	Period of Lock-in
<b>Arya Ved Trust</b>							
June 04, 2019	Bonus Issue	Other than Cash	26,68,736	10.00	-	20.00	3 Years
<b>Grand Total</b>						<b>20.00</b>	

The Minimum Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoters' under the SEBI (ICDR) Regulations.

The Equity Shares that are being locked-in are not ineligible for computation of Promoters' contribution under Regulation 237 of the SEBI (ICDR) Regulations. In this respect, we confirm the following:

- I. The Equity Shares issued for minimum Promoters' contribution have not been acquired in the three (3) years immediately preceding the date of this Draft Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets, nor have resulted from a bonus issue out of revaluation reserves or unrealized profits of our Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution; the minimum Promoters' contribution does not include any Equity Shares acquired during the one (1) year immediately preceding the date of this Draft Prospectus at a price lower than the price at which the Equity Shares are being Issued to the public in the Issue;
- II. No Equity Shares have been issued to our Promoters in the last one (1) year preceding the date of this Draft Prospectus at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms, where the partners of the erstwhile partnership firms are the promoters of the issuer and there is no change in the management.

Provided that specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible.

- III. The Equity Shares held by our Promoters which are issued for minimum Promoters' contribution are not subject to any pledge or any other form of encumbrance whatsoever; and all the Equity Shares of our Company held by the Promoters and the Promoter Group shall be held in dematerialized form prior to the filing of the Prospectus.
- IV. Our company was incorporated on January 30, 2009 under Companies Act, 1956. The 26,68,736 Equity Shares offered as Promoter Contribution for lock-in for 3 years by Arya Ved Trust were allotted to him against the capital held by him for more than one year on continuous basis and hence the above offered Equity Share are eligible for Minimum Promoter Contribution.

c. Details of Equity Shares Locked-in for one (1) year

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018 other than the Equity Shares Issued by the Promoters for the Minimum Promoter's Contribution, which will be locked-in as minimum Promoters' contribution for three (3) years, all the pre-Issue Equity Shares shall be subject to lock-in for a period of one (1) year from the date of Allotment.

Sr. No.	Name of the Shareholder	No. of Shares held Pre-IPO	No. of Shares held for lock-in	Post-IPO Share lock-in	Lock in Period
1	Arya Ved Trust	30,99,969	4,31,233*	3.23%	1 Year
2	Mr. Anil Chennalinge Gowda	31	31	0.00%	1 Year
3	Mr. Satish Madhavanarayanan	1,55,000	1,55,000	1.16%	1 Year
4	Greens Nature's Fresh Farms Private Limited	22,78,500	22,78,500	17.08%	1 Year
5	Greens Natures Fresh Produce Private Limited	25,19,463	25,19,463	18.88%	1 Year
6	Mamatha Speciality Foods Private Limited	80,662	80,662	0.60%	1 Year
7	Malnad Pantations, Partnership Firm	16,97,653	16,97,653	12.72%	1 Year
<b>Total</b>		<b>98,31,278</b>	<b>71,63,022</b>	<b>53.68%</b>	

\*Balance Shares 26,68,736 are locked in for 3 years

In terms of Regulation 241 SEBI (ICDR) Regulations, 2018 the Equity Shares which are subject to lock-in shall carry inscription 'non-transferable' along with the duration of specified non-transferrable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

d. Other requirements in respect of lock-in

➤ **Inscription or Recording of non-transferability:**

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

➤ **Pledge of Locked-in Equity Shares:**

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoter, as specified above, can be pledged with any scheduled commercial banks or public financial institutions or systemically important non-banking finance company or housing finance company as collateral security for loans granted by such scheduled commercial banks or public financial institutions or systemically important non-banking finance company or housing finance company, subject to fulfilment of following conditions:

- 1) In respect of Equity Shares which are locked in for a period of one year, the pledge of the Equity Shares is one of the terms of the sanction of the loan;
- 2) In respect of Equity Shares which are locked in for a period of three years, the loan has been granted by such scheduled commercial bank or public financial institution or systemically important non-banking finance company or housing finance company to our Company or our Subsidiary (ies) for the purpose of financing one or more of the objects of the Issue and the pledge of the Equity Shares is one of the terms of the sanction of the loan.

➤ **Transfer of Locked-in Equity Shares**

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

- a) The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
  - b) The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- e. We further confirm that our Promoters Contribution of 20.00% of the post-Issue Equity Share capital does not include any contribution from Alternative Investment Fund.
- f. Shareholding of our Promoters & Promoter Group

The table below presents the shareholding of our Promoters and Promoter Group, who hold Equity Shares as on the date of filing of this Draft Prospectus:

Particulars	Pre-Issue		Post-Issue	
	Number of Shares	Percentage (%) holding	Number of Shares	Percentage (%) holding
<b>Promoters (A)</b>				
Arya Ved Trust	30,99,969	31.53	30,99,969	23.24
Mr. Anil Chennalinge Gowda	31	0.0	31	0.00
Mr. Satish Madhavanarayanan	1,55,000	1.58	1,55,000	1.16
<b>Total (A)</b>	<b>32,55,000</b>	<b>33.11</b>	<b>32,55,000</b>	<b>24.40</b>
<b>Promoter Group (B)</b>				
Greens Nature's Fresh Farms Private Limited	22,78,500	23.18	22,78,500	17.08
Greens Natures Fresh Produce Private Limited	25,19,463	25.63	25,19,463	18.88
Mamatha Speciality Foods Private Limited	80,662	0.82	80,662	0.60
M/s Malnad Pantations, Partnership Firm	16,97,653	17.27	16,97,653	12.72
<b>Total (B)</b>	<b>65,76,278</b>	<b>66.89</b>	<b>65,76,278</b>	<b>49.28</b>
<b>Total (A+B)</b>	<b>98,31,278</b>	<b>100.00</b>	<b>98,31,278</b>	<b>73.68</b>

As on the date of filing of this Draft Prospectus, our Promoters and members of the Promoters Group do not hold any preference shares in our Company.

11. Acquisition and sale/transfer of Equity Shares by our Promoters in last one (1) year

There has been no acquisition, sale or transfer of Equity Shares by our Promoters in the last one (1) year preceding the date of filing of this Draft Prospectus.

12. Shareholding Pattern of our Company:

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

**GREENS FOOD CRAFTS INDIA LIMITED**

Our Shareholding Pattern: -

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumber		Number of equity shares held in dematerialized form	
								No of Voting Rights					Total as a % of (A+B+ C)	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)
								Class Equity Shares of ₹10/- each^	Class y	Total								
I	II	III	IV	V	VI	VII = IV+V+VI	VIII	IX			X	XI=VIII+IX	XII	XIII	XIV			
(A)	Promoters & Promoter Group	7	98,31,278	-	-	98,31,278	100.00	98,31,278	-	98,31,278	100.00	-	100.00	-	-	98,31,278		
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(C1)	Shares underlying	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	<b>Total</b>	<b>7</b>	<b>98,31,278</b>	<b>-</b>	<b>-</b>	<b>98,31,278</b>	<b>100.00</b>	<b>98,31,278</b>	<b>-</b>	<b>98,31,278</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>98,31,278</b>		

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

^ We have only one class of Equity Shares of face value of ₹ 10/- each.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the Listing Regulation, one day prior to the listing of the Equity shares.

13. Except as set out below, none of the directors of our Company are holding any Equity Shares in our Company.

Particulars	Number of Shares	Pre-Issue Percentage holding (%)	Post-Issue Percentage holding (%)
Mr. Satish Madhavanarayanan	1,55,000	1.58	1.16
Mr. Anil Chennalinge Gowda	31	Negligible	Negligible
<b>Total</b>	<b>1,55,031</b>	<b>1.58</b>	<b>1.16</b>

14. None of the Equity Shares of our Company are subject to any pledge as on the date of this Draft Prospectus.

15. None of the shareholding of the Promoters & Promoter Group is subject to lock-in as on date of this Draft Prospectus.

16. None of the persons belonging to the category Public are holding more than 1% of the total number of shares as on the date of this Draft Prospectus

17. None of the Key Managerial Personnel holds any Equity Shares in our Company as on the date of this Draft Prospectus:

18. Details of Major Shareholders:

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

Sl. No.	Name of the Shareholder	Number of Equity Shares	% of Shareholding
1.	Arya Ved Trust	30,99,969	31.53
2.	Greens Nature's Fresh Farms Private Limited	22,78,500	23.18
3.	Greens Natures Fresh Produce Private Limited	25,19,463	25.63
4.	M/s Malnad Pantations, Partnership Firm	16,97,653	17.27
5.	Mr. Satish Madhavanarayanan	1,55,000	1.58
	<b>Total</b>	<b>97,50,585</b>	<b>98.18</b>

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

Sl. No.	Name of the Shareholder	Number of Equity Shares	% of Shareholding
1.	Arya Ved Trust	30,99,969	31.53
2.	Greens Nature's Fresh Farms Private Limited	22,78,500	23.18
3.	Greens Natures Fresh Produce Private Limited	25,19,463	25.63
4.	M/s Malnad Pantations, Partnership Firm	16,97,653	17.27
5.	Mr. Satish Madhavanarayanan	155,000	1.58
	<b>Total</b>	<b>97,50,585</b>	<b>98.18</b>

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

Sl. No.	Name of the Shareholder	Number of Equity Shares	% of paid up capital
1.	Arya Ved Trust	99,999	99.99
2.	Anil Chennalinge Gowda	1	0.01
	<b>Total</b>	<b>1,00,000</b>	<b>100.00</b>

21. The top ten (10) shareholders of our Company as of two (2) years prior to the filing of the Draft Prospectus with the Stock Exchange are as follows:

Sl. No.	Name of the Shareholder	Number of Equity Shares	% of paid up capital
1.	Ramesh Gowda	99,000	90.00
2.	Ramya Gowda	1,000	10.00
	<b>Total</b>	<b>1,00,000</b>	<b>100.00</b>

22. Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft Prospectus.

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

Sr. No.	Name of the Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in Rs.)
1.	Arya Ved Trust	30,99,969	0.00
2.	Mr. Anil Chennalinge Gowda	31	0.32
3.	Mr. Satish Madhavanarayanan	1,55,000	0.32

24. None of our Promoters, Promoter Group, our Directors and their relatives have entered into any financing arrangements or financed the purchase of the Equity shares of our Company by any other person during the period of six (6) months immediately preceding the date of filing of the Draft Prospectus.

25. We hereby confirm that there will be no further issue of capital whether by the way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity shares offered have been listed or application money unblocked on account of failure of issue.

26. Our Company, its Directors, Promoters or the Lead Manager have not entered into any buy-back or standby arrangements for the purchase of the Equity Shares of our Company.

27. None of the Promoter Group, Directors of the Promoter (s), the Directors and their relatives have purchased or sold any Equity Shares during the period of six (6) months immediately preceding the date of filing of this Draft Prospectus with the Stock Exchange.

28. Our Company undertakes that there shall be only one (1) denomination for the Equity Shares of our Company, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time.

29. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Draft Prospectus.

30. The Equity Shares are fully paid up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Prospectus.

31. Our Company has not issued Equity Shares out of Revaluation Reserves.

32. Our Company shall comply with such disclosures and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.

33. The Equity Shares issued pursuant to this Issue shall be fully paid-up.

34. Our Company has not made any public issue of any kind or class of securities of our Company within the immediately preceding two (2) years prior to filing this Draft Prospectus.

35. As on date of this Draft Prospectus, our Company has 07 shareholders.

36. Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on its business requirements, our Company may consider raising bridge financing facilities, pending receipt of the Net Proceeds of the Issue.

37. Our Company, Directors, Promoters or members of our Promoter Group shall not make any payments, direct or indirect, discounts, commissions, allowances or otherwise under this Issue except as disclosed in this Draft Prospectus.

38. Our Company does not have any intention or proposal to alter our capital structure within a period of 6 months from the date of opening of the Issue by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company after obtaining relevant approvals.

39. Our Company has not revalued its assets during the last five (5) financial years.
40. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to three (3) years lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
41. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange i.e. BSE Limited (SME Platform). Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
42. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of SEBI (ICDR) Regulations, 2018.
43. There are no Equity Shares against which depository receipts have been issued.
44. Other than the Equity Shares, there is no other class of securities issued by our Company.
45. This issue is being made through the Fixed Price method.
46. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations. As per Regulation 253 of the SEBI (ICDR) Regulations, 2018, since ours is a fixed price Issue 'the allocation' in the Net Issue to the public category shall be made as follows:
  - a. Minimum Fifty percent (50%) to retail individual investors; and
  - b. Remaining to other than retail individual investors.

The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the Applicants in the other category.  
If the retail individual investor category is entitled to more than fifty percent (50%) on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.
47. Our Promoters and members of our Promoter Group will not participate in the Issue.
48. The Lead Manager and its associates do not hold any Equity Shares in our Company as on the date of filing this Draft Prospectus.

## SECTION VII: PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

#### Requirement of Funds

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

- A. **Financing of upgrade of existing 12 Collections Centers (CC) and setting up new 16 Collection Centers to expand our Farm Gate and Fresh Produce Aggregation capabilities.**
- B. **Financing the setting up of a new Distribution Center (DC) to expand our Fresh Produce Distribution capabilities.**
- C. **Financing the setting up of a new Processing Facility (PC) to expand our processing capacities t of Fresh Produce**
- D. **Financing opening of new Retail Stores to expand our Retail Operations.**
- E. **Financing Technology and Logistic Automation.**
- F. **Financing the General Corporate Purposes which accounts for about 20.33% of overall fund raise (collectively, referred to herein as the “Objects”).**

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges and enhancement of our Company’s brand name and creation of a public market for our Equity Shares in India.

The main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Issue. Further, the loans availed by our Company and Subsidiaries, which are proposed to be repaid or prepaid from the Net Proceeds of the Issue, are for activities carried out as enabled by the object’s clause of the respective memorandum of association.

### ISSUE PROCEEDS AND NET PROCEEDS

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

Particulars	Amount
Gross proceeds from the Issue	4109.51
(Less) Issue related expenses	55.00
<b>Net Proceeds of the Issue</b>	<b>4,054.51</b>

*The Issue expenses are based on certain estimates and are subject to change*

### UTILIZATION OF NET PROCEEDS OF THE ISSUE

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

Particulars	Amount
<i>A. Financing – Upgrade &amp; Setting of New Collection Centers (CC)</i>	10,00.00
<i>B. Financing – Setting up of a new Distribution Centers (DC)</i>	500.00
<i>C. Financing – Setting up a new Processing Center (PC)</i>	577.67
<i>D. Financing – Expansion and opening of Simply Fresh Retail Stores</i>	541.50
<i>E. Financing – Technology &amp; Logistics Automation</i>	600.00
<i>F. General Corporate Purposes</i>	835.34
<b>Total Net Proceeds of the Issue</b>	<b>4,054.51</b>

#### Means of Finance

The fund requirements described above are proposed to be entirely funded from the Net Proceeds of the Issue. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 4 (2) (g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue.

Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business and strategy, including external factors which



may not be within the control of the management of our Company. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of the management of our Company. In case of any increase in the actual utilisation of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for general corporate purposes. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the objects of the Issue, we may explore a range of options including utilizing our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/ or debt, as required subject to compliance with applicable law.

The above fund requirements are based on internal management estimates and have not been appraised by any bank or financial institution and are based on quotations received from vendors and suppliers, which are subject to change in the future. These are based on current conditions and are subject to revisions in light of changes in external circumstances or costs, or our financial condition, business or strategy. For further details of factors that may affect these estimates, see section “Risk Factors” beginning on page 16 of this draft prospectus.

### Schedule of implementation and deployment of Net Proceeds of the Issue

The Net Proceeds of the Issue are currently expected to be deployed in accordance with the schedule as set forth below:

(Rs. in lacs)

Sr. No.	Particulars	Total estimated costs	Amount to be financed from Net Proceeds of the Issue	Estimated utilisation of Net Proceeds of the Issue	
				2019-20	2020-21
A.	Financing – Upgrade and Setting of New Collection Center (CC)	10,00.00	10,00.00	638.00	362.00
B.	Financing – Expansion of Distribution Center (DC) Fresh Retail Store	500.00	500.00	250.00	250.00
C.	Financing – Expansion of Processing Center (PC)	577.67	577.67	288.84	288.83
D.	Financing – Expansion of Simply Fresh Retail Store	541.50	541.50	180.50	361.00
E.	Financing – Technology & Logistics Automation	600.00	600.00	450.00	150.00
F.	General Corporate Purpose	835.34	835.34	835.34	0.00
	<b>Total</b>	<b>4,054.51</b>	<b>4,054.51</b>	<b>2,642.68</b>	<b>1,411.83</b>

### Details of the Objects of the Issue

#### A. Financing of upgrade of existing 12 Collections Centers (CC) and setting up new 16 Collection Centers to expand our Farm Gate and Fresh Produce Aggregation capabilities.

Currently the company operates collections centers in 12 (twelve) different locations and plans to upgrade the same by spending about Rs. 23 lacs per collection center to cater to larger farmers grower group and help us process more tonnage per day. We also propose to grade the produce at the collection center level and have it readied to be transported back to distribution center where it goes through a final quality checked and is then sent to our retail outlets / customers.

	Particulars	Unit	Unit Cost in Rs. Lacs	Rs. Lacs
<b>Upgrade and Expansion of existing twelve (12) CC location</b>				
1	Expansion: 3000 - 5000 Sq. Ft. land	1	3.00	3.00
2	Set up 1000 Sq. Ft. Cold Room <sup>2</sup>	1	14.96	14.96
3	Grading Table & sorting System <sup>3</sup>	1	2.22	2.22

<sup>2</sup> Quotation Dated 15<sup>th</sup> April 2019 from RINAC India Ltd.

<sup>3</sup> Quotation Dated 8<sup>th</sup> April 2019 from Drivemax Equipments and dated 16<sup>th</sup> April from KF Kitchen Solutions

4	Crates <sup>4</sup>	500	0.386	1.93
5	MIS & Security Systems <sup>5</sup>	1	0.60	0.60
6	Others (Misc. Expenses)			0.29
	Cost of One CC Unit Upgrade			23.00
<b>Total Cost for Upgrade of twelve (12) existing locations</b>				<b>276.00</b>

In addition to the existing twelve collection centers, the company would like to use the proceeds to add new 16 collections centers in 8 different talukas in Karantaka (KR Nagar, Dharwad, Chamarajanagar, Magadi, Belgaum) & Tamil Nadu (Metupalyam, Krishnagiri, Tenai)

	Particulars	Unit	Unit Cost in Rs. Lacs	Rs. Lacs
<b>Setup of new CC at 16 new location</b>				
1	New Lease of 3000 - 5000 Sq. Ft. land	1	5.50	5.50
2	Set up 1000 Sq. Ft. Cold Room <sup>1</sup>	1	14.96	14.96
4	Grading Table & sorting System <sup>2</sup>	1	2.22	2.22
5	Crates <sup>3</sup>	725	0.375	2.72
6	MIS & Security Systems <sup>4</sup>	1	1.00	1.00
7	Procurement Vehicles <sup>6</sup>	5	3.40	17.00
8	Other - Miscellaneous Expenses	1	1.85	1.85
	Cost of New CC (1 Unit)			45.25
<b>Set Up of Collection Centres at Sixteen (16) new locations</b>				<b>724.00</b>

These collections are heart of our operations where actual interface between the farmer and Greens takes place and transaction is conducted by review of the type, quantity and quality of the fresh produce. Post this operation, basic level of grading is conducted, and we segregate the fresh produce into higher to lower grades. The produce is now ready to be sent to our Distribution Centers for supply to our end clients.

<b>Total Cost of Expansion of Collection Centres (Rs. In Lacs)</b>		
A	<b>Up Grade of Centres at Existing 12 Locations</b>	276.00
B	<b>Setup of new DC at 16 new locations</b>	724.00
		<b>1,000.00</b>

We have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the materials.

Our Promoters or Directors or Group Companies has no interest in the proposed procurements, as stated above.

#### **B. Financing the setting up of a new Distribution Center (DC) to expand our Fresh Produce Distribution capabilities.**

To support our expansion in our Fresh Vegetables, Fruits (F&V) & Fresh Produce businesses for domestic operations (primarily focused on Hotel, Restaurant and Catering segment (HoReCa)) as well as deemed and actual exports and to support growth of our 'Simply Fresh' retail brand, we need a strong back end distribution center in addition to our existing distribution hub. The primary focus of the new distribution Center will be to receive Fresh Produce from Farmer Groups and Collection Centers, spread across primary growing and procurement areas. Fresh Produce which covers Fruits, Vegetables & Dairy Items will be received based on indents raised at the DC, graded as per Quality Specifications, packed and distributed in company owned & managed vehicles. The DC will then distribute Fresh Produce to our retail stores as well as to domestic HoReCa markets as per market demand.

The DC will be planned as per HACCP requirements, wherein there are separate and segregated areas for inward of material, grading & sorting, storing, packing and then final dispatch areas with sufficient vehicle docking and unloading areas as mandated. To handle the substantial volumes of fresh material and to keep handling areas for Fruits & Vegetables separate, the DC is planned to cover an area of 10,000 sqft to service the said volumes.

The DCs will be operational 24 hours and equipped with cargo handling equipment, cold rooms for materials storage,

<sup>4</sup> Quotation Dated 24<sup>th</sup> April 2019 from GEE Enterprises

<sup>5</sup> Quotation Dated 18<sup>th</sup> April 2019 from Harvey Tech Solutions

<sup>6</sup> Rate list of Prerna Motors Private Ltd. For April 2019

storage and handling crates, packing stock and vehicles. The vehicles will have temperature-controlled units to maintain freshness of material, thereby reducing wastage and losses.

To optimize operations of the DC, the DC will service Simply Fresh Stores, HoReCa segment & even deemed and actual exports of fresh vegetables & fruits which are being exported to Gulf & Maldives regions. The area will also service orders from HoReCa from neighboring states & cities. Tourist hubs and high consumption states like Goa & Kerala which are not self-sufficient in production of horticultural produce will be the areas to be serviced. This will largely optimize all handling and distribution costs.

For details of our deployment of funds into the Distribution Center and the estimated costs proposed to be funded from the Net Proceeds of the Issue, please see below:

	Particulars	Total Amount In Rs. Lacs
a	Lease & Rentals of DC Building	59.38
b	Interior work to Distribution Center Building	1,31.02
c	Interiors Work - Cold Chain	52.50
d	Interiors Work - Customised Racking Systems	55.60
e	Key Machinery - Internal Vehicle & Loaders	48.00
f	Key Machinery - Last Mile Logistics Support Vehicle	153.50
	<b>Total</b>	<b>500.00</b>

**a. Lease/Rental Deposits & Brokerage**

*Lease/Rental Deposits & Brokerage:* Rentals for the area of 10,000 sq. ft range between Rs. 450,000 to Rs. 5,00,000 per month.

	Lease & Rentals Particulars	Units	(In Rs. Lacs)	Total Estimate - (In Rs. Lacs)
1	Lease/Rentals - 12 Months Deposit	12	4.75	57.00
2	Brokerage - LS - @ 15 days rent		2.38	2.38
	<b>Total Estimated Cost Pre-Outlet/DC</b>			<b>59.38</b>

**b. Interior and electrical costs;** This includes costs in relation to fit-out charges, carpentry, painting, plumbing, electrical installations and lighting, civil works, etc. and costs in relation to pre-fabricated panels, signage and visuals and fixing charges. The table below sets forth the basis of our estimation for the total interior and electrical costs:

	Particulars	Units	Rs. In Lacs
a	Grading Tables & Sorting Machines <sup>7</sup>	24	10.76
b	Wooden Crating System <sup>8</sup>	1250	25.00
c	Sanitation & Change Room with Locker <sup>9</sup>	3	12.00
d	Crates <sup>10</sup>	12500	43.75
e	Lighting & Air Circulations <sup>11</sup>	10	6.30
f	Flooring & Labor In Linear Feet <sup>10</sup>	1500	4.50
g	Ventilation shutter <sup>10</sup>	10	4.50
h	PestoTrap <sup>12</sup>	10	2.00
i	Billing System & Static IP's <sup>13</sup>	10	3.50
j	Software license	3	0.90
h	Team Member Hiring & Training	15	4.50
i	Security Cameras & Installation <sup>14</sup>		12.50
j	Others (Misc. and Contingencies)		0.81

<sup>7</sup> Quotation Dated 16<sup>th</sup> April 2019 from KF Kitchen Solutions

<sup>8</sup> Quotation Dated 12<sup>th</sup> April 2019 from Ambica Patterns (India) Pvt. Ltd.

<sup>9</sup> Quotation Dated 16<sup>th</sup> April 2019 from Sai Constructions

<sup>10</sup> Quotation Dated 25<sup>th</sup> April 2019 from Gee Enterprises

<sup>11</sup> Quotation Dated 16<sup>th</sup> April 2019 from Sai Constructions

<sup>12</sup> Quotation Dated 17<sup>th</sup> April 2019 from Pestology Combines

<sup>13</sup> Quotation Dated 15<sup>th</sup> April 2019 from Ktron Systems

<sup>14</sup> Quotation Dated 19<sup>th</sup> April 2019 from Kirti Integrated Solutions India Pvt Ltd.

	<b>Total Interior Cost Per DC</b>		<b>131.02</b>
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**c. Installation of facility with PUF Insulated Cold Rooms**

*Installation of facility with PUF Insulated Cold Rooms:* These costs would include costs in relation to fit-out charges including, EPS Panel, Floor Insulation, Wall Insulation, electrical installations and lighting, civil works, etc. and costs in relation to pre-fabricated PUF insulated panels, signage and visuals and fixing charges.

Particulars		Units	Total Amount
a	Reefer & Cooling System <sup>15</sup>	1	<b>52.50</b>
			<b>52.50</b>

**d. Interiors Work – Customized Racking Systems**

Furniture's: These costs would primarily include expenses in relation to purchase of furniture's, Racks, Tables, Chairs, Fans, Air-conditions for office, Cabins, Cub boards, Filing systems, Filing guards and Installations etc.

Particulars		Units	Amount	Total Amount (Rs. Lacs)
A	Decker Panel Racks	500	2500/piece	12.50
B	SS Slotted Angle Racks	500	2500/piece	12.50
C	Metal Racks	200	2800/piece	5.60
D	Industrial Storage Racks	10	250000	25.00
<b>Total<sup>16</sup></b>				<b>55.60</b>

**e. Material Handling Equipment – Industrial Weighing Scales, Pallet Jacks, Crates**

They would include costs in relation to materials movement charges including, internal movements, Handling equipment's cost, Materials weighing Scales cost, Forklifts for pallet movements, Wooden Pallets, Crates.

Particulars		Units	Amount	Total Amount (Rs. Lacs)
a	Industrial Weighing Scales <sup>17</sup>	Lot		5.00
b	Fork Lifts – Toyota - Big <sup>18</sup>	3	700,000	21.00
c	Fork Lifts – JCB - Medium <sup>19</sup>	2	550,000	11.00
d	Pallet Jacks – 4400lb <sup>20</sup>	10	110,000	11.00
<b>Total</b>				<b>48.00</b>

**f. Trucks: Last Mile Logistics Support Vehicle**

Trucks: These costs would primarily include expenses in relation to purchase of Truck Chassis, Truck body building, Installation of refrigeration, Installation of rack system as per the specification.

Particulars		Units	Amount	Total Amount (Rs. In lacs)
A	Tata Ace / Mini Ape <sup>21</sup>	12	492,000	59.04
B	Eicher <sup>22</sup>	3	1252,000	37.56
C	Luggage Auto <sup>20</sup>	5	434,000	21.70
D	Omni <sup>23</sup>	10	352,000	35.20

<sup>15</sup> Quotation Dated 15<sup>th</sup> April 2019 from RINAC India Pvt Ltd.

<sup>16</sup> Quotation Dated 16<sup>th</sup> April 2019 from Metal Storage Systems Pvt. Ltd.

<sup>17</sup> Quotation Dated 23<sup>th</sup> April 2019 from Spark Systems

<sup>18</sup> Quotation Dated 24<sup>th</sup> April 2019 from Toyota Material Handling India Pvt. Ltd.

<sup>19</sup> Quotation Dated 24<sup>th</sup> April 2019 from RNS Earthmover Pvt Ltd.

<sup>20</sup> Quotation Dated 9<sup>th</sup> April 2019 from Southern Forklifters Pvt. Ltd.

<sup>21</sup> As per Rate List of Prerna Motors for April 2019

<sup>22</sup> Quotation Dated 24<sup>th</sup> April 2019 from Android Motors Pvt Ltd.

<sup>23</sup> Quotation Dated 15<sup>th</sup> April 2019 from Varun Motors Pvt Ltd.

	<b>Total</b>			<b>153.50</b>
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**C. Financing the setting up of a new Processing Facility (PC) to expand our processing capacities**

We plan to set up a new Processing Center to optimize the manpower, attain operational efficiencies and expand our Processed Food Business under the brand name “Mamatha Speciality Foods”. The Processing Center will accommodate the following operations:

- (i) RTE (Ready to Eat) , RTC (Ready to Cook), Spices & Pickles Production Unit
- (ii) Herbs & Vegetables Drying Unit
- (iii) IQF / Freeze Drying Unit
- (iv) Vegetable & Fruits - Cutting & Slicing Unit.

The allocation of funds to the Processing Center which will have all the above activities under one roof are as follows:

	<b>Particulars</b>	<b>Total Amount In Rs. Lacs</b>
a	Lease & Rentals of DC Building	53.13
b	Main Processing Building Work	253.47
c	In House Storage Racks & Crating System	17.17
d	Key Machinery - RTE/RTC Processed Food	23.90
e	Key Machinery - Dryers - Microwave Drying	81.32
f	Key Machinery - Dryers - Freeze Drying	124.18
g	Key Machinery - Cutter - Veg & Fruits Dicers	24.50
	<b>Total</b>	<b>577.67</b>

The detailed break-up of these estimated costs is as below:

- a. Land Lease & Rental Details: On an average cost of rentals are in the range of anywhere between Rs 4,00,000 to Rs. 4,50,000 per month.

	<b>Particulars</b>	<b>Units</b>		<b>Total Estimate - Cost of Lease (In Rs. Lacs)</b>
1	Rentals - 12 Months Deposit	12	4,25,000	51.00
2	Brokerage - LS – 15 days rent			2.13
	<b>Total</b>			<b>53.13</b>

**b. Estimated cost for Installation of Main Processing Building**

The building which will house under one roof all combined activity as detailed above, will need an estimated capital expenditure of Rs. 253.47 lacs<sup>24</sup>.

**c. In House Storage Racks, Crates etc.**

The estimated cost break up for material & equipment's used for in warding, moving material etc.

	<b>Particulars</b>	<b>Total Amount (Rs. Lacs)</b>
a	Storage Racks <sup>25</sup>	13.70
b	Crates <sup>26</sup>	1.02
c	Pallet Jacks <sup>27</sup>	1.25
d	Pesto Traps <sup>28</sup>	0.70
e	Security Cameras <sup>29</sup>	0.50
	<b>Total</b>	<b>17.17</b>

<sup>24</sup> Quotation Dated 16<sup>th</sup> April 2019 from Sai Construction

<sup>25</sup> Quotation Dated 16<sup>th</sup> April 2019 from Metal Storage Systems Pvt Ltd.

<sup>26</sup> Quotation Dated 24<sup>th</sup> April 2019 from GEE Enterprises

<sup>27</sup> Quotation Dated 9<sup>th</sup> April 2019 from Southern Forklifters Pvt. Ltd.

<sup>28</sup> Quotation Dated 16<sup>th</sup> April 2019 from Pestology Combines

<sup>29</sup> Quotation Dated 22<sup>th</sup> April 2019 from Brother Telecom Services

**d. Key Machinery for Processed Foods Segment in Ready to Eat (RTE), Ready to Cook (RTC), Spices & Pickles.**

The Processed foods market is currently growing at phenomenal pace in India and is expected to be USD 50 billion industry in India. 80 percent growth is taking place in Urban India wherein nuclear double Income families are driving the growth in this sector.

Our brand Mamatha Specialty Foods was incubated to capitalize on the growing needs & spending power of the Indian Consumer.

We currently have 25 SKU's in this brand and are widely available in Hyper Markets & Supermarkets like Metro, Spar, Nilgiris and several smaller stores as well. We also work on private labelled products which are supplied to Café Coffee Day.

Our current plans are to expand the range to cover Spices, Masalas, Pickles, Frozen Parathas. With interaction with our retail stores and consumers, we have found that there is steady demand for the above branded products.

The funding required for installation and upgrading of productions lines for the above discussed product ranges will include

- (i) Machinery
- (ii) Lab Equipment
- (iii) Storage Racks, Crates, Drums
- (iv) Installation of PUF Insulated Cold Rooms
- (v) Interior and electrical costs;
- (vi) Refrigeration; and
- (vii) furniture

Machinery Particulars		Units	Total Amount (Rs. Lacs)
a	Cup Sealing Machinery <sup>30</sup>	1	4.25
b	Grinder <sup>31</sup>	2	2.55
c	Auger Filing Machine <sup>32</sup>	1	13.00
d	Continuous Sealing Machine with Nitrogen Flushing <sup>33</sup>	1	0.50
e	Lab Equipment <sup>34</sup>	1	3.45
f	Refrigerator <sup>35</sup>		0.15
	<b>Total Estimated Cost for Machinery</b>		<b>23.90</b>

**e. Herbs & Vegetables Drying Unit**

In our process of business development and to cater to the needs of changing Indian palate, we are expanding our packaged foods range to include dried herbs & vegetables. This is an offset of our growing and production division, which will cater to the input requirements in the processing center.

The product palette is such that it caters to the export as well as Indian market – the quality control meets the requirements of the Euro Markets. With only a change in packaging both markets can be serviced. The Indian markets will have the products in 100-200gm easy to use dispenser bottles and bulk packaging will be the norm for the export markets. There will be 10 variants in the dried herbs.

The dried vegetables will be a B2B sales, wherein this product will be an input for other ready to Eat products like soups, noodles etc.

The process deployed for drying of the above products will be Microwave Vacuum drying which enables the product to maintain original aroma with minimal change in color as appearance and smell can affect the sales.

<sup>30</sup> Quotation Dated 15<sup>th</sup> April 2019 from Bhawani Engineering Works

<sup>31</sup> Quotation Dated 23<sup>th</sup> April 2019 from Ambika Engineering Works

<sup>32</sup> Quotation Dated 12<sup>th</sup> April 2019 from Hardee Flexipack

<sup>33</sup> Quotation Dated 11<sup>th</sup> April 2019 from Elmec Technopack Pvt Ltd.

<sup>34</sup> Quotation Dated 8<sup>th</sup> April 2019 from Shree Krishna Scientific Equipment Supplier

<sup>35</sup> Quotation Dated 17<sup>th</sup> April 2019 from Girias Equipment Pvt Ltd.

The machinery and accessories required for this unit, apart from building cost would be:

- (i) Microwave Vacuum Dryer
- (ii) Room with a de- humidifier for storing finished goods
- (iii) Packing Materials

Particulars		Units	Total Amount (Rs. Lacs)
a	Microwave Vacuum Dryer <sup>36</sup>	1	78.00
b	Packing Material – Weighing Scales, containers etc <sup>37</sup>	1	3.32
<b>Total Estimated Cost for Machinery</b>			<b>81.32</b>

The cost is for a 96 tray 30KW Microwave Vacuum Dryer.

#### f. Freeze Drying Unit

**Freeze drying** is the process of dehydration or removing liquid from an item, such as food, to increase shelf life, reduce weight, and preserve quality.

This technology used for dehydration and preserving perishable produce is more refined and will be used for high value products like Culinary Herbs, Asparagus, fruits etc. The wet input can either be vegetables, fruits, herbs, spices, enzymes, extracts, medicinal plants, dairy products, tea, nutraceuticals etc. of approximately 20 % solids. The Indian market is well adapted the frozen peas and frozen corn and has overcome the preference for buying fresh in these products.

This process will help cut wastage losses from Simply Fresh and Bulk distribution sales and will be an avenue for exports as well. With the production line requiring large volume of inputs, our procurement costs can be brought down substantially helping profitability across other divisions as well.

The end product from this process is far superior and is as close to fresh as possible. The area required for Food Freeze dryer is 2,100sqft including storage area for finished products.

The commercials for setting up a 150kg Freeze drying Unit are, excluding building & storage costs which have already been considered in the overall building expense.

Particulars		Units	Total Amount (Rs. Lacs)
a	150kg Food Freeze Dryer <sup>38</sup>	1	121.00
b	Cost of Accessories – Deep Freezer, Air Compressor etc <sup>39</sup>		3.18
<b>Total Estimated Cost for Machinery</b>			<b>124.18</b>

#### g. Vegetable & Fruit -Cutting, Slicing & Dicing Unit

This B2B venture is a primary input requirement for the QSR (Quick service Restaurants) and for other commercial kitchens operating in the catering space of online food service businesses.

With rentals being a prime concern, the focus on restaurants, caterers is on cooking areas and less on prep or space allocation for prep zones. Hygiene & mandatory regulations from certifying bodies is another key factor which prompts these end users to procure freshly cut and hygienically packed material, which is ready for use.

This activity would help us minimize wastages across our divisions, servicing the clients with more than one product – in whole as well as in ready to use form. The product size can be varied to suit individual customer requirement.

It would also yield higher revenue per kg than product in the whole form and higher utilization of the fruit or vegetable for the Company.

The cost for setting up the machinery for this unit within the Processing Center would be:

<sup>36</sup> Quotation Dated 5<sup>th</sup> April 2019 from Henan Boda Microwave Equipment Co. Ltd., China (Exchange rate of Rs. 69.13 per USD as on quotation date), plus applicable Freight+ Insurance and Import Duties.

<sup>37</sup> Quotation Dated 23<sup>rd</sup> April 2019 from Spark System and 26<sup>th</sup> March 2019 from Magnum Polymer

<sup>38</sup> Quotation Dated 11<sup>th</sup> April 2019 from Henan Boda Microwave Equipment Co. Ltd., China (Exchange rate of Rs. 69.13 per USD as on quotation date), plus applicable Freight+ Insurance and Import Duties.

<sup>39</sup> Quotation Dated 15<sup>th</sup> April 2019 from Air Master Compression Company and 26<sup>th</sup> April 2019 from Ravishankar KS

Particulars		Units	Total Amount (Rs. Lacs)
a	Vegetable Dicer – 500 -600 kgs per hr capacity <sup>40</sup>	1	8.50
b	Cost of Accessories – Vegetable Washer & Drier <sup>41</sup>	1	16.00
<b>Total Estimated Cost for Machinery</b>			<b>24.50</b>

#### D. Financing opening of new Retail Stores to expand our Retail Operations.

Towards our objective to further expand our Retail Operations under our Brand Name “Simply Fresh”) consisting of mainly Fresh Vegetables, Fruits (F&V) & Fresh Produce, we intend to infuse a portion of the Net Proceeds of the Issue towards opening of new 30 retail stores (20 Simply Fresh Stores and 10 Fresh Xpress Outlets).

We plan to leverage the brand equity, “Simply Fresh”, to expand our Retail Operations by setting-up new Retail Network outlets, in cluster of residential housing society predominately near parks, place of worship, having high visibility and high traffic locations, under our two main outlet formats:

1. Simply Fresh Stores – Company Owned & Operated in direct company leased properties
2. Fresh Xpress Outlets – Company Owned & Operated in Shop ‘N Shop Model

We propose to set up the stores in clusters in residential areas; in the first phase, we will be concentrating our operations to the city of Bengaluru. Currently we have six stores operational – one is located in a shop in shop, one at a large apartment complex and the others are stores located at the ground floor of commercial complex/markets. Our initial plans are to set up at least four new stores in following suburb of Bengaluru as it would help in distribution of fresh produce, twice a day. We have identified the following areas as potential locations for the Simply fresh stores.

- a. Malleswaram / Vyalikaval / Sadashivnagar
- b. Rajajinagar / West of Chord Road / Vijayanagar
- c. Vidyaranyapura / Kodigehalli / RMV 2nd Stage / Sanjaynagar
- d. Hebbal / RT Nagar /
- e. Whitefield / Marathalli / Sarjapur Road

Our team will identify the location based on the parameters set out – high footfalls, near place of worship or parks etc., and subject to inspection by a senior member from the corporate office. Based on approval from our in-house legal team, we will sign the lease agreement for a minimum period of three years with an option to renew it. In certain cases, we will have a lock-in for a maximum period of one year.

For details of our expansion plans and the estimated costs proposed to be funded from the Net Proceeds of the Issue, please see below.

We intend to utilise a portion of Net Proceeds of the Issue aggregating to Rs. 541.50 lacs for setting-up 20 new Simply Fresh Store & 10 Fresh Xpress outlets in Bangalore City cluster during Fiscal 2019-20 and Fiscal 2020-21.

Particulars	2019 - 2020	2020 - 2021	Total
No. of Simply Fresh - Company Leased Property	05	15	20
No. of Fresh Xpress - Shop ‘N Shop	05	05	10

Costs for setting-up of the new Simply Fresh Retail Network outlets and Fresh Express Shop ‘N Shop retail outlet primarily comprises of:

#### Per Store Commercials

	Particular	Amount (Rs Lacs)
1	Rental Deposit & Brokerage	2.31
2	Interior including Refrigeration and Cooling System	10.65
3	Indirect Expenditure like dedicated crates, logistics plan and other costs:	5.09
	<b>Total Per Store</b>	<b>18.05</b>
	<b>Total for Thirty Stores</b>	<b>541.50</b>

<sup>40</sup> Quotation Dated 10<sup>th</sup> April 2019 from Mitipack India Pvt Ltd., (Exchange rate of Rs. 0.62 per JPY as on quotation date), plus applicable Freight+ Insurance and Import Duties.

<sup>41</sup> Quotation Dated 8<sup>th</sup> April 2019 from Wang Professional, (Exchange rate of Rs. 69.59 per USD as on quotation date), plus applicable Freight+ Insurance and Import Duties.



### Methodology for computation of estimated costs

The typical size of a (i) *Simply Fresh* outlet is between 125 and 180 square feet; and (ii) *The Fresh Xpress* is between 80 and 120 square feet. Considering our business strategy is to primarily focus on the *Simply Fresh Retail* outlet format, an average size of 150 square feet has been considered for the purposes of arriving at the various estimated costs for Retail Store Network outlets. For the purposes of arriving at the various estimated costs for *Fresh Xpress* kiosks, the typical average kiosk size of 100 square feet has been considered.

Our estimate of costs, including towards interiors and electrical costs, and furniture and equipment are based on (i) quotations received from our empaneled contractors or from vendors from whom we have purchased similar items for our exiting outlets and kiosks in the past; and (ii) our internal estimates for specifications and item requirements based on our prior experience of setting-up similar retail outlet and shop 'n shop kiosks.

The detailed break-up of these estimated costs is as below:

- a. *Rental Deposits & Brokerage*: Based on the size and location, rentals could range between Rs. 15,000 to Rs. 30,000 per store per month. We plan setting up our stores based on the availability of retail space and the projected demand for fresh produce in that area and expect the average rent we pay would be around Rs. 18,500 per month per store.

	Particulars	Total Estimated Cost (In Rs. Lacs)
1	Rentals - 12 Months Deposit	2.22
2	Brokerage - LS - 25K to 30K	0.09
	<b>Estimated Cost Per-Outlet/Kiosks</b>	<b>2.31</b>

- b. *Interior and electrical costs*: These costs would include costs in relation to fit-out charges including, carpentry, painting, plumbing, electrical installations and lighting, civil works, etc. and costs in relation to pre-fabricated panels, signage and visuals and fixing charges, for setting-up new *Simply Fresh* outlets and *Fresh Xpress* kiosks, as applicable. Estimated Cost per store is Rs. 10.65 lacs<sup>42</sup>.

- c. *Indirect Expenditure like dedicated crates, logistics plan and other costs*: These costs would include costs incurred towards setting up cooling and refrigeration system, procurement and implantation of the delivery crating system dedicated to each of these shops. We estimate that we would need about 100 crates for delivery of fresh produce and pick up of rejected goods twice a day; once early in the morning and again late in the afternoon.

The delivery trucks are dedicated for daily delivery and pick up from cluster of at least 8 shops per truck which will allow us to deliver the goods within 10 minutes to about 8 stores which are located in a radius of 2 to 3 square kilometers.

We have assumed 5% as contingency costs per store which includes masonry and structural changes or access points and minor changes as required.

Particulars	Total (in Rs. lacs)
Refrigeration and Cooling System <sup>43</sup>	1.64
Dedicated Crates for Delivery, Returns and Wastage Collection <sup>44</sup>	1.02
Dedicated Logistics Plan – Boloero Pick Up with modification (8 shop per truck) – Total cost of Rs. 12.52 lac <sup>45</sup>	1.57
5% of Contingency per outlet cost	
<b>Total estimated costs per outlet</b>	<b>5.09</b>

### E. Financing – Technology & Logistics Automation

The company has plans to strengthen the back-end distribution automation with investment in the technology broadly in the field of

#### A. Farm Gate Operations

1. Supply side app to take produce from the farmer and help predict the farm gate activities like type of crop grown,

<sup>42</sup> Quotation Dated 23<sup>rd</sup> April 2019 from Upstart Solutions

<sup>43</sup> Quotation Dated 21<sup>st</sup> April 2019 from William Refrigeration

<sup>44</sup> Quotation Dated 24<sup>th</sup> April 2019 from GEE Enterprises

<sup>45</sup> Quotation Dated 24<sup>th</sup> April 2019 from Android Motors Pvt Ltd.

quantity expected and date on which the produce would be available

**B. Distribution:**

1. This has interface for the buyer to place orders and get the freshest of produce on daily pricing methodology for the HoReCa segment.
2. We also have interface to strengthen our processed food distribution network with own application to take order, process the same and also collect payment in the field level

All the above function includes the establishment and investment in the proprietary software development and supported with necessary hard ware requirements which include mobile handhelds, communication equipment, vehicle tracking with GIS layer of application monitoring and weather application interface.

The cost for setting-up of the new facility and the integrated technology team will primarily comprise of capitalized costs such as (i) Office Space lease; (ii) Hardware and Support Costs; (iii) Software and related Licenses; and (iv) Human Resources.

The table below sets forth the total estimated costs for setting-up of the new Technology & Logistics Automation facility:

Particulars	Facility	Hardware	Software & Licenses	Human Resources	Total estimated costs	Amount to be financed from Net Proceeds of the Issue - In Rs. Lacs	Amount to be financed from Net Proceeds of the Issue - In Rs. Crs	
							2019 - 20	2020 - 21
Technology & Logistics Automation Facility Set Up	100.00	53.00	35.00	412.00	600.00	600.00	450.00	150.00

**Methodology for computation of estimated costs**

- a. *Lease & Rental costs:* These costs would primarily include expenses in relation to leasing of nearly furnished office facility and rent capitalized for approximately 18 months

The table below sets forth the basis of our estimation for the total civil work cost:

	Total costs (Rs. Lacs)
Office Building Deposit	48.00
Lease Rental for 18 Months	52.00
<b>Total estimated costs</b>	<b>100.00</b>

- b. *Hardware Unit costs:* These costs would primarily include cost towards purchase of Laptop, Desktops, routers, large network monitoring screens in relation to the project. The table below sets forth the basis of our estimation for the total unit cost:

Particulars	Total costs (Rs. Lacs)
Purchase of 20 Laptops/Desk Top Units	6.00
Purchase of Router and Server Set Up	14.00
Purchase of Large Display Screens	18.00
Security & Network Access System	15.00
<b>Total estimated costs<sup>46</sup></b>	<b>53.00</b>

- c. *Software & Licensing costs:* These costs would primarily include purchase of database license, Server Spaces, hosting charges and desk top software license. The table below sets forth the basis of our estimation for the total unit cost:

<sup>46</sup> Quotation Dated 19<sup>th</sup> April 2019 from Sigma Networks

Particulars	Total costs (Rs. Lacs)
Data Bases	12.00
Server Space and Hosting Charges	18.00
Desktop License	5.00
<b>Total cost <sup>47</sup></b>	<b>35.00</b>

d. *Human Resources:* These costs include hiring and salary expenses for running the project for next 12 to 18 months.

Particulars	Per Annum	No. of People	Total costs (18 Months – Rs. Lacs)
Lead Architect	60,00,000	1	90.00
Senior Engineers	24,00,000	2	72.00
Junior Engineers	12,00,000	9	162.00
Developers	6,00,000	4	36.00
Support Staff	4,00,000	1	6.00
Other Expenses @ 12.5%			46.00
<b>Total estimated costs</b>			<b>412.00</b>

## F. Financing –General Corporate Expense

### 1. General Corporate Purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ 835.34 lacs (net of issue expenses in relation to the Fresh Issue) towards general corporate purposes, subject to such utilisation not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilize Net Proceeds include strategic initiatives and acquisitions, investments into our Subsidiaries and joint ventures, part or full debt repayment, strengthening of the marketing capabilities, as may be applicable.

In addition to the above, our Company may utilise the Net Proceeds towards other expenditure considered expedient and as approved periodically by the Board or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilising surplus amounts, if any.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, which are not applied to the other purposes set out above.

Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds of the Issue and increasing or decreasing expenditure for a particular object i.e., the utilization of Net Proceeds of the Issue. In case of a shortfall in Net Proceeds of the Issue, our management may explore a range of options including utilizing our internal accruals or seeking debt from future lenders. Our management expects that such alternate arrangements would be available to fund any such shortfall. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

### 2. Interim use of Net Proceeds

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy Net Proceeds of the Issue. Pending utilization the Net Proceeds of the Issue will be temporarily deposited with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934.

Our Company confirms that it shall not use Net Proceeds of the Issue for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

### 3. Variation in Objects

<sup>47</sup> Quotation Dated 19<sup>th</sup> April 2019 from Sigma Networks

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (“**Postal Ballot Notice**”) shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Kannada, the vernacular language of the jurisdiction where our Registered and Corporate Office is situated. Our Promoter or the controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

#### **4. Other confirmations**

No part of Net Proceeds of the Issue will be paid by our Company as consideration to our Promoter, our Board, our Key Management Personnel or Group Entities.

Our Company, for which funds are being raised pursuant to the Issue, have all the approvals, as on date, from the relevant authorities necessary to conduct their day-to-day business.

## BASIS FOR THE ISSUE PRICE

The Issue Price of Rs.117.00 per Equity Share has been determined by our Company, in consultation with the LM on the basis of an assessment of market demand for the Equity Shares through the Fixed Price Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Share of our Company is Rs.10 and Issue Price is 11.7 times the face value.

### QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price, are:

- *Recognised and awarded for our efforts in the export sector*
- *Well Established Brand name and goodwill amongst market players*
- *Experienced Promoter with nearly 2 (two) decades of experience in retail and food industry*
- *Organized Approach and ready infrastructure*
- *Technically has a strong team with long standing association with Agri & food business companies both in India & Abroad.*
- *Comparatively well integrated farm to fork operations with intention to minimise the middle men in its operations*

For further details, refer to heading “*Our Competitive Strengths*” under chapter titled “*Our Business*” beginning on page 80 of this Draft Prospectus.

### QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the Restated Standalone Financial Information for Stub Period December 31, 2018 and the Financial Years 2018, 2017 and 2016. Some of the quantitative factors, which form the basis or computing the price, are as follows:

#### 1. Basic and Diluted Earnings per Share (“EPS”) as adjusted for changes in capital as per Restated Standalone Financial Information:

Particulars	Basic and Diluted EPS (Rs.)	Weight
Year ended March 31, 2018	63.61	3
Year ended March 31, 2017	39.92	2
Year ended March 31, 2016	35.41	1
<b>Weighted average</b>	<b>51.01</b>	
Period ended December 31, 2018 <sup>^</sup>	374.92	
EPS considering Bonus after restated period*	7.86	

<sup>^</sup> Not Annualised.

\* As on date of this draft prospectus, the company has proposed to issue 95,14,140 equity shares as bonus share @ 30:1 as per EGM dated 04/06/2019 i.e. after restated period. Allotment is pending.

Notes:

- a) *Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the period/ year adjusted by the number of Equity Shares issued during the period/ year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/ year. The figures disclosed above are based on the Restated Summary Financial Information of our Company.*
- b) *The face value of each Equity Share is ₹ 10.*
- c) *Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.*
- d) *Basic Earnings per share = Net profit/ (loss) after tax, as restated attributable to equity shareholders / Number of shares outstanding during the year/ period.*
- e) *Diluted Earnings per share = Net profit after tax, as restated / Weighted average number of diluted equity shares outstanding during the year/ period.*
- f) *Weighted average = Aggregate of year-wise weighted Basic EPS divided by the aggregate of weights i.e. [Basic (EPS x Weight) for each fiscal] / [Total of weights].*

## 2. Price to Earnings (P/E) ratio in relation to price band of ₹ 117/- per Equity Share of face value of 10 each fully paid up

Particulars	EPS (in ₹)	P/E Ratio
P/E ratio based on the Basic & Diluted EPS for period ended December 31, 2018 <sup>^</sup>	374.92	0.31
P/E ratio based on the Basic & Diluted EPS for FY 2017-18	63.61	1.84
P/E ratio based on the Weighted Average EPS	51.01	2.29
P/E ratio based on the Basic & Diluted EPS post bonus share issued*	7.86	14.88

<sup>^</sup> Not Annualised.

\* As on date of this draft prospectus, the company has proposed to issue 95,14,140 equity shares as bonus share @ 30:1 as per EGM dated 04/06/2019 i.e. after restated period. Allotment is pending.

## 3. Industry P/E ratio\*

Particulars	P/E
Highest	101.5
Lowest	1.6
Average#	29.3

\*Source: Capital Market; Volume No. XXXIV and Issue No. 08(June 3 - 16, 2019)- Food Processing Indian

# Industry Composite

## 4. Average Return on Net Worth

Particulars	RONW %	Weight
Year ended March 31, 2018	28.79%	3
Year ended March 31, 2017	25.37%	2
Year ended March 31, 2016	30.15%	1
<b>Weighted average</b>	<b>27.87%</b>	
Period ended December 31, 2018 <sup>^</sup>	24.07%	
RoNW considering Bonus after restated period*	24.07%	

**Weighted average:** Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. [(Return on Net Worth x Weight) for each year] / [Total of weights]

<sup>^</sup> Not annualised

### Note:

Net worth has been computed by aggregating share capital and reserves and surplus as per the audited restated financial information. Revaluation reserve or miscellaneous expenditure (to the extent not written off) is not considered for calculating Reserve & Surplus.

## 5. Net Asset Value (NAV)

Particulars	Amount (In ₹)
Net Asset Value per Equity Share as of December 31, 2018 <sup>^</sup>	1012.42
Net Asset Value per Equity Share as of March 31, 2018	220.97
Net Asset Value per Equity Share after considering Bonus post restated period	32.66
Net Asset Value per Equity Share after the Issue*	24.06
Issue Price per equity share	117.00

<sup>^</sup> Not Annualised.

\* As on date of this draft prospectus, the company has proposed to issue 95,14,140 equity shares as bonus share @ 30:1 as per EGM dated 04/06/2019 i.e. after restated period. Allotment is pending.

**Note:** Net Asset Value per equity share represents "total assets less total liability (excluding deferred tax) as per the restated financial information as divided by the number of equity shares outstanding as at the end of year/period.

## 6. Comparison with other listed Companies/Industry peer:

Name of Company	Face Value (in ₹)	EPS Basic	NAV per Equity Share	P/E Ratio	RONW (%)
Coffee Day Enterprises Ltd	10	0	85.6	0	0
Freshrop Fruits Ltd	10	11.3	62.1	11.3	14.2
McLeod Russell (India) Ltd	5	6.8	140.7	3.72	4.69

Hatsun Agro Product Ltd	1	7.1	49.8	100.8	25.44
Tata Coffee	1	2.8	52	30.8	5.48
Greens Food Crafts India Limited	10	7.86 <sup>^</sup>	32.66	14.88	24.07

\* Source: Capital Market; volume No. 34 and Issue No. 08(June 3 - 16, 2019)

<sup>^</sup> After considering Bonus Issue

Note: We believe that none of the listed companies in India offer products or services across the various business segments in which we operate. Hence a strict comparison is not possible.

**The Company in consultation with the Lead Manager and** after considering various valuation fundamentals including Book Value and other relevant factors believes that the issue price of Rs.117 per share for the Public Issue are justified in view of the above parameters. The investors may also want to pursue the “**Risk Factors**” beginning on page no 16 of this Draft Prospectus and Financials of the company as set out in the “**Financial Statements as Restated**” beginning on page no 133 of this Draft Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is Rs.10.00 per share and the Issue Price is 11.7 times of the face value i.e. Rs.10 per share.

**STATEMENT OF POSSIBLE TAX BENEFITS**

To,  
The Board of Directors,  
Greens Food Crafts India Limited  
325/1, RMV Extension, 5th Cross,  
14th Main, Sadashiva Nagar,  
Bangalore - 560080

**Sub: Statement of Possible Special Tax Benefits Available to the Company and its shareholders prepared in accordance with the requirements under Schedule VIII-Clause (VII) (L) of the SEBI (ICDR) Regulations, 2018, as amended (the "Regulations")**

We hereby report that the enclosed annexure prepared by Greens Food Craft India Limited, states the possible special tax benefits available to Greens Food Craft India Limited ("the Company") and the shareholders of the Company under the Income Tax Act, 1961 ("Act"), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may or may not choose to fulfil. The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and shareholders do not cover any general tax benefits available to the Company Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are 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 initial public offering of equity shares ("the Offer") by the Company.

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

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

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Prospectus/ Draft Red Herring Prospectus or any other offer related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For A Biyani & Co.**  
**Chartered Accountants**  
**Firm Registration No.140489W**

S/d-

**Ashutosh Biyani**  
**Partner**  
**Membership No. 165017**  
**Place: Mumbai**  
**Date: - 25<sup>th</sup> May, 2019**



**ANNEXURE TO THE STATEMENT OF TAX BENEFITS:**

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.**

**A. SPECIAL TAX BENEFITS TO THE COMPANY**

Company is engaged in business of agriculture related business and processed food business, income related to agricultural activities are exempt from tax as per Income Tax Act.

**B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

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

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein.

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

**SECTION VIII: ABOUT THE INDUSTRY AND THE COMPANY****INDUSTRY OVERVIEW****INDIAN ECONOMY OVERVIEW****Introduction**

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

**Market size**

India's GDP is estimated to have increased 7.2 per cent in 2017-18 and 7 per cent in 2018-19. India has retained its position as the third largest startup base in the world with over 4,750 technology start-ups. India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute. India's foreign exchange reserves were US\$ 405.64 billion in the week up to March 15, 2019, according to data from the RBI.

**Recent Developments**

With the improvement in the economic scenario, there have been various investments in various sectors of the economy. The M&A activity in India reached record US\$ 129.4 billion in 2018 while private equity (PE) and venture capital (VC) investments reached US\$ 20.5 billion. Some of the important recent developments in Indian economy are as follows:

- During 2018-19 (up to February 2019), merchandise exports from India have increased 8.85 per cent year-on-year to US\$ 298.47 billion, while services exports have grown 8.54 per cent year-on-year to US\$ 185.51 billion.
- Nikkei India Manufacturing Purchasing Managers' Index (PMI) reached a 14-month high in February 2019 and stood at 54.3.
- Net direct tax collection for 2018-19 had crossed Rs 10 trillion (US\$ 144.57 billion) by March 16, 2019, while goods and services tax (GST) collection stood at Rs 10.70 trillion (US\$ 154.69 billion) as of February 2019.
- Proceeds through Initial Public Offers (IPO) in India reached US\$ 5.5 billion in 2018 and US\$ 0.9 billion in Q1 2018-19.
- India's Foreign Direct Investment (FDI) equity inflows reached US\$ 409.15 billion between April 2000 and December 2018, with maximum contribution from services, computer software and hardware, telecommunications, construction, trading and automobiles.
- India's Index of Industrial Production (IIP) rose 4.4 per cent year-on-year in 2018-19 (up to January 2019).
- Consumer Price Index (CPI) inflation stood at 2.57 per cent in February 2019.
- Net employment generation in the country reached a 17-month high in January 2019.

**Government Initiatives**

The interim Union Budget for 2019-20 was announced by Mr Piyush Goyal, Union Minister for Finance, Corporate Affairs, Railways and Coal, Government of India, in Parliament on February 01, 2019. It focuses on supporting the needy farmers, economically less privileged, workers in the unorganised sector and salaried employees, while continuing the Government of India's push towards better physical and social infrastructure. Total expenditure for 2019-20 is budgeted at Rs 2,784,200 crore (US\$ 391.53 billion), an increase of 13.30 per cent from 2018-19 (revised estimates).

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

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

- In February 2019, the Government of India approved the National Policy on Software Products – 2019, to develop the country as a software hub.
- The National Mineral Policy 2019, National Electronics Policy 2019 and Faster Adoption and Manufacturing of (Hybrid) and Electric Vehicles (FAME II) have also been approved by the Government of India in 2019.

- Village electrification in India was completed in April 2018. Universal household electrification is expected to be achieved by March 2019 end.
- The Government of India released the maiden Agriculture Export Policy, 2018 which seeks to double agricultural exports from the country to US\$ 60 billion by 2022.
- Around 1.29 million houses have been constructed up to December 24, 2018, under Government of India's housing scheme named Pradhan Mantri Awas Yojana (Urban).
- Prime Minister's Employment Generation Programme (PMEGP) will be continued with an outlay of Rs 5,500 crore (US\$ 755.36 million) for three years from 2017-18 to 2019-20, according to the Cabinet Committee on Economic Affairs (CCEA).

### Road Ahead

India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms.

India's revenue receipts are estimated to touch Rs 28-30 trillion (US\$ 385-412 billion) by 2019, owing to Government of India's measures to strengthen infrastructure and reforms like demonetisation and Goods and Services Tax (GST).

India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from 175 GW by 2022.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report; and is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by the year 2040, according to a report by PricewaterhouseCoopers.

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

## AGRICULTURE IN INDIA

### Introduction

Agriculture is the primary source of livelihood for about 58 per cent of India's population. Gross Value Added by agriculture, forestry and fishing is estimated at Rs 18.53 trillion (US\$ 271.00 billion) in FY18.

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year due to its immense potential for value addition, particularly within the food processing industry. The Indian food and grocery market is the world's sixth largest, with retail contributing 70 per cent of the sales. The Indian food processing industry accounts for 32 per cent of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. It contributes around 8.80 and 8.39 per cent of Gross Value Added (GVA) in Manufacturing and Agriculture respectively, 13 per cent of India's exports and six per cent of total industrial investment.

### Market Size

During 2017-18\* crop year, food grain production is estimated at record 284.83 million tonnes. In 2018-19, Government of India is targeting foodgrain production of 285.2 million tonnes. Milk production was estimated at 165.4 million tonnes during FY17, while meat production was 7.4 million tonnes. As of September 2018, total area sown with kharif crops in India reached 105.78 million hectares.

India is the second largest fruit producer in the world. Production of horticulture crops is estimated at record 314.7 million tonnes (mt) in 2018-19 as per third advance estimates.

Total agricultural exports from India grew at a CAGR of 16.45 per cent over FY10-18 to reach US\$ 38.21 billion in FY18. Between Apr 2018-Feb 2019 agriculture exports were US\$ 34.31 billion. India is also the largest producer, consumer and exporter of spices and spice products. Spice exports from India reached US\$ 3.1 billion in 2017-18. Tea exports from India reached a 36 year high of 240.68 million kgs in CY 2017 while coffee exports reached record 395,000 tonnes in 2017-18. Food & Grocery retail market in India was worth US\$ 380 billion in 2017.

### Investments

According to the Department for Promotion of Industry and Internal Trade (DPIIT), the Indian food processing industry has cumulatively attracted Foreign Direct Investment (FDI) equity inflow of about US\$ 8.57 billion between April 2000 and December 2018.

Some major investments and developments in agriculture are as follows:

- Investments worth Rs 8,500 crore (US\$ 1.19 billion) have been announced in India for ethanol production.
- By early 2019, India will start exporting sugar to China.
- The first mega food park in Rajasthan was inaugurated in March 2018.
- Agrifood start-ups in India received funding of US\$ 1.66 billion between 2013-17 in 558 deals.
- In 2017, agriculture sector in India witnessed 18 M&A deals worth US\$ 251 million.

### Government Initiatives

Some of the recent major government initiatives in the sector are as follows:

- Prime Minister of India, launched the Pradhan Mantri Kisan Samman Nidhi Yojana (PM-Kisan) and transferred Rs. 2,021 crore (US\$ 284.48 million) to the bank accounts of more than 10 million beneficiaries on February 24, 2019.
- The Government of India has come out with the Transport and Marketing Assistance (TMA) scheme to provide financial assistance for transport and marketing of agriculture products in order to boost agriculture exports.
- The Agriculture Export Policy, 2018 was approved by Government of India in December 2018. The new policy aims to increase India's agricultural exports to US\$ 60 billion by 2022 and US\$ 100 billion in the next few years with a stable trade policy regime.
- In September 2018, the Government of India announced Rs 15,053 crore (US\$ 2.25 billion) procurement policy named 'Pradhan Mantri Annadata Aay SanraksHan Abhiyan' (PM-AASHA), under which states can decide the compensation scheme and can also partner with private agencies to ensure fair prices for farmers in the country.
- In September 2018, the Cabinet Committee on Economic Affairs (CCEA) approved a Rs 5,500 crore (US\$ 820.41 million) assistance package for the sugar industry in India.
- The Government of India is going to provide Rs 2,000 crore (US\$ 306.29 million) for computerisation of Primary Agricultural Credit Society (PACS) to ensure cooperatives are benefitted through digital technology.
- With an aim to boost innovation and entrepreneurship in agriculture, the Government of India is introducing a new AGRI-UDAAN programme to mentor start-ups and to enable them to connect with potential investors.
- The Government of India has launched the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) with an investment of Rs 50,000 crore (US\$ 7.7 billion) aimed at development of irrigation sources for providing a permanent solution from drought.
- The Government of India plans to triple the capacity of food processing sector in India from the current 10 per cent of agriculture produce and has also committed Rs 6,000 crore (US\$ 936.38 billion) as investments for mega food parks in the country, as a part of the Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters (SAMPADA).
- The Government of India has allowed 100 per cent FDI in marketing of food products and in food product e-commerce under the automatic route.

### Achievements in the sector

- Sugar production in India has reached 27.35 million tonnes (MT) in 2018-19 sugar season, as of March 15 2019, according to the Indian Sugar Mills Association (ISMA).
- The Electronic National Agriculture Market (eNAM) was launched in April 2016 to create a unified national market for agricultural commodities by networking existing APMCs. Up to May 2018, 9.87 million farmers, 109,725 traders were registered on the e-NAM platform. 585 mandis in India have been linked while 415 additional mandis will be linked in 2018-19 and 2019-20.
- Agriculture storage capacity in India increased at 4 per cent CAGR between 2014-17 to reach 131.8 million metric tonnes.
- Coffee exports reached record 395,000 tonnes in 2017-18.
- Between 2014-18, 10,000 clusters were approved under the Paramparagat Krishi Vikas Yojana (PKVY).
- Between 2014-15 and 2017-18 (up to December 2017), capacity of 2.3 million metric tonnes was added in godowns while steel silos with a capacity of 625,000 were also created during the same period.
- Around 100 million Soil Health Cards (SHCs) have been distributed in the country during 2015-17 and a soil health mobile app has been launched to help Indian farmers.

### Road Ahead

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

The government of India targets to increase the average income of a farmer household at current prices to Rs 219,724 (US\$ 3,420.21) by 2022-23 from Rs 96,703 (US\$ 1,505.27) in 2015-16.

Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP) and Good Hygienic Practices (GHP) by the food processing industry will offer several benefits. (Source: <https://www.ibef.org/industry/agriculture-india.aspx>)

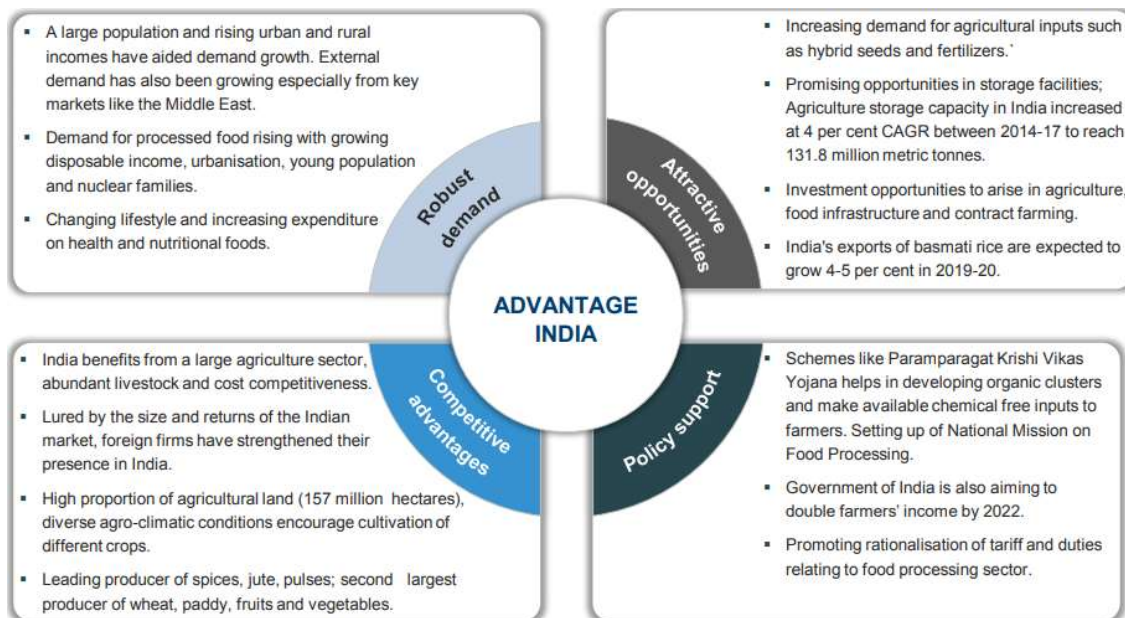
India has the 10th-largest arable land resources in the world. With 20 agri-climatic regions, all 15 major climates in the world exist in India. The country also possesses 46 of the 60 soil types in the world. India is the largest producer of spices, pulses, milk, tea, cashew and jute; and the second largest producer of wheat, rice, fruits and vegetables, sugarcane, cotton and oilseeds. Further, India is second in global production of fruits and vegetables, and is the largest producer of mango and banana. During 2017-18 crop year, food grain production is estimated at record 284.83 million tonnes. In 2018-19, Government of India is targeting foodgrain production of 285.2 million tonnes. Production of horticulture crops is estimated at 306.82million tonnes (mt) in 2017-18 as per third advance estimates. India is among the 15 leading exporters of agricultural products in the world. Agricultural exports from India reached US\$ 38.21 billion in FY18 and US\$ 34.31 billion during Apr 2018-Feb 2019. Exports of ready to eat items from India reached US\$ 689.80 million in FY18 and have reached US\$ 545.21 million in FY19 (up to December 2018). The Agriculture Export Policy, 2018 was approved by Government of India in December 2018. The new policy aims to increase India’s agricultural exports to US\$ 60 billion by 2022. India was the ninth largest exporter of agricultural products in 2017.

The Electronic National Agriculture Market (eNAM) was launched in April 2016 to create a unified national market for agricultural commodities by networking existing Agriculture Produce Marketing Committees (APMCs). Up to May 2018, 9.87 million farmers, 109,725 traders were registered on the e- NAM platform. 585 mandis in India have been linked while 415 additional mandis will be linked in 2018- 19 and 2019-20. Cumulative trade on the platform reached Rs 41,855 crore (US\$ 6.49 billion) by March 2018. The Budget 2019 has identified Agriculture Sector as one of the key drivers of the economy. Under the budget Agricultural Marketing Infrastructure (AMI) scheme 40 lakh MT of storage capacity & 400 other marketing Infrastructure projects are targeted by 2019-20.

The Government of India has introduced several projects to assist the agriculture sector. They are Pradhanmantri Gram Sinchai Yojana: The scheme aims to irrigate the field of every farmer and improving water use efficiency to achieve the motto ‘Per Drop More Crop’. Overall the scheme ensures improved access to irrigation. Around 285 new irrigation projects will be undertaken in 2018 to provide irrigation for 18.8 million hectares of land. As per Union Budget 2018-19 the scheme has been allocated US\$ 401.6 million.

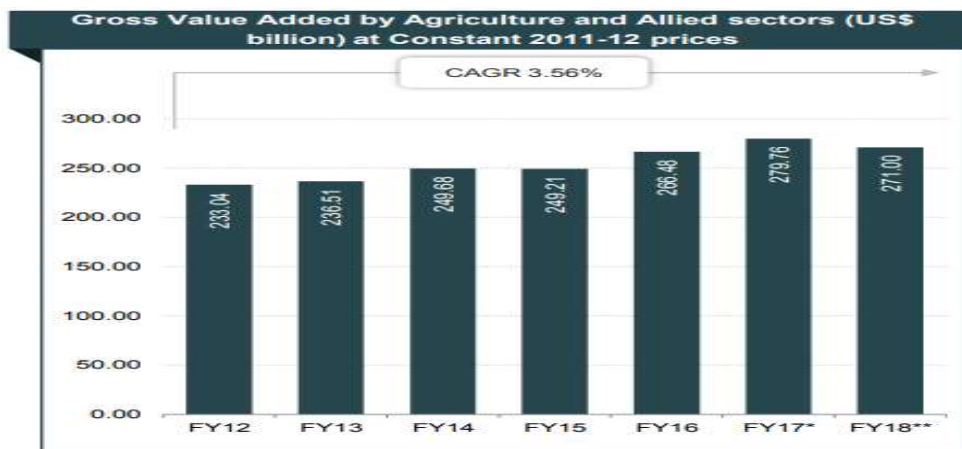
Paramparagat Krishi Vikas Yojana (PKVY): The scheme aims to motivate groups of farmers to take up organic farming.

**ADVANTAGE INDIA**

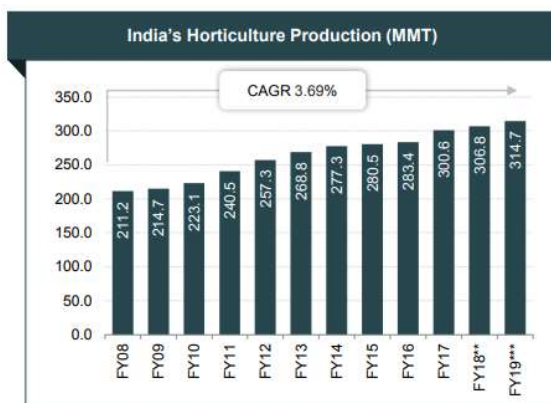


### GROWTH IN AGRICULTURE

- Agriculture is the primary source of livelihood for about 58 per cent of India’s population.
- Gross Value Added by agriculture, forestry and fishing is estimated at Rs 18.53 trillion (US\$ 271.00 billion) in FY18
- Agriculture and allied sector’s GVA at constant 2011-12 prices grew a CAGR of 3.56 per cent between FY12-18.
- As per Union Budget 2019-20, allocation of Rs 140,763.97 crore (US\$ 1.95 trillion) was made for The Agriculture Ministry.



### INCREASING PRODUCTION



Crop	2011-12	2017-18*	2018-19 <sup>1</sup>
Rice	105.30	112.91	115.60
Wheat	94.88	99.70	99.12
Total Cereals	242.20	259.59	257.35
Total Pulses	17.09	25.23	24.02
Total Foodgrains	259.29	284.83	281.37
Total Oilseeds	297.99	298.82	315.02
Sugarcane	361.04	376.91	380.83
Cotton (million bales of 170 kg each)	35.2	34.89	300.87***
Jute & Metsa (million bales of 180 kg each)	11.40	10.14	10.07

- Since 2010, production as well as yield of both major crops - rice and wheat has increased significantly. As per fourth advance estimates, production of rice is estimated at record 112.91 million tonnes while production of wheat is estimated at 98.70 million tonnes in 2017-18 crop year.
- India ranks second in global production of fruits and vegetables and is a leading exporter of mangoes and bananas.
- Production of horticulture crops in India is estimated at record 314.7 million metric tonnes (MMT) in 2018-19, implying a CAGR of 3.69 per cent between FY08-19.
- India's wheat production may surpass record 99.12 million tonnes (MT) in 2018-19 crop year.

## FOOD PROCESSING INDUSTRY IN INDIA

Indian Food Industry in 2017<sup>1</sup> (US\$ billion)

Segment	Size
Food Industry Output	258
Food Exports	39.4
Food Imports	30.2
Retail	380
Food Service	48.3

Infrastructure for Food Processing Industry (as of 2017)

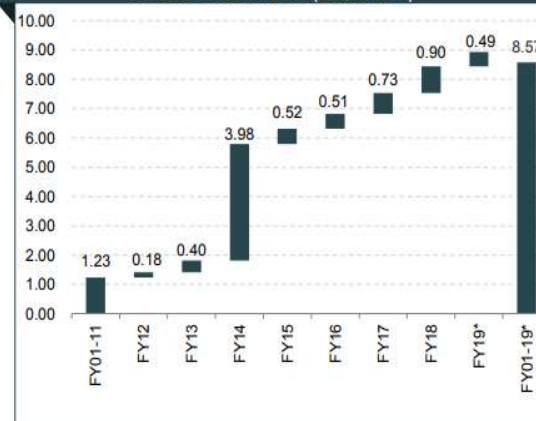
Cold Storages <sup>2</sup>	7,845
Cold Storages' Capacity (million MT) <sup>2</sup>	35.88
Mega Food Parks Sanctioned <sup>3</sup>	42
Agri Export Zones <sup>3</sup>	60

- The food and grocery market in India is the sixth largest in the world. The food processing industry contributes 32 per cent of this food market and is also one of the largest industries in the country, contributing 13 per cent of total exports and six per cent of industrial investment.
- Dairy sector's revenue in India were estimated<sup>4</sup> at Rs 5.7 lakh crore (US\$ 88.44 billion) in FY18 and are expected to reach Rs 7.5 lakh crore (US\$ 116.37 billion) by FY21.
- India also has the required infrastructure to enable the growth of food processing industry with 7,845 cold storage chains with a capacity of 35.88 million tonnes and 42 mega food parks sanctioned as of 2017. Out of these, 25 mega food parks will be operationalised by 2018 end.
- There are more than 37,175 food processing units in India, as per 2016-17 as per Annual Survey of Industries.
- Foreign direct investments (FDI) in India's food processing sector is expected to cross US\$ 28 billion in 2019.

Sales of Processed Foods in India<sup>1</sup>

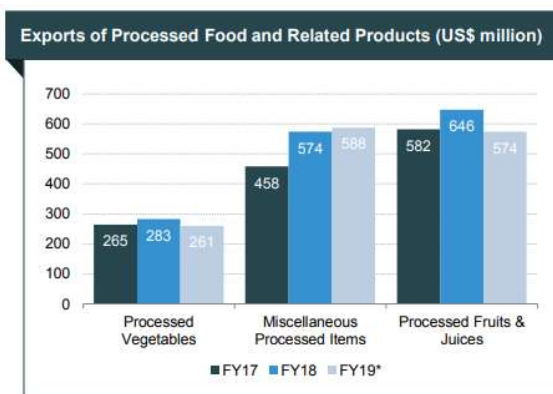
Product	2017 Sales (US\$ billion)	Growth compared to 2013 Sales (%)
Oils & Fats	20.74	144.02
Dairy	18.53	79.54
Rice, Pasta, and Noodles	5.83	98.74
Sweet and Savory Snacks	4.56	110.62
Biscuits and Snack Bars	4.44	49.22
Confectionery	4.06	77.33
Sauces, Dressings, and Condiments	2.49	98.03
Baked Goods	2.27	48.58
Ice Cream and Frozen Desserts	1.81	84.59

FDI Inflows<sup>2</sup> into Food Processing Industries between April 2000-December 2018 (US\$ billion)



- Sales of processed food in the domestic market have been increasing at a fast pace. Packaged food industry in India is expected to cross US\$ 65 billion by 20203 and become the third largest market for packaged food.
- The sector has also witnessed sharp increase in investments with cumulative FDI inflows reaching US\$ 8.57 billion between April 2000 and December 2018. Organised dairies in the country are expected<sup>4</sup> to invest Rs 14,000 crore (US\$ 2.17 billion) over FY18-21.

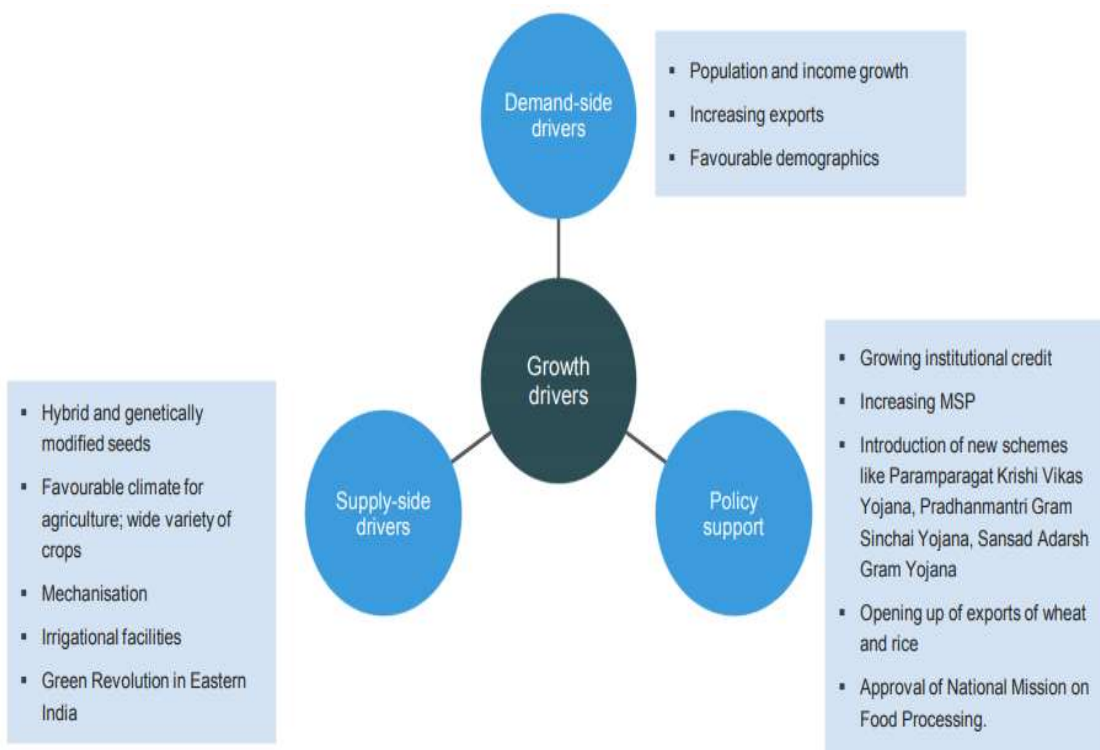
### EXPORTS OF PROCESSED FOOD AND RELATED PRODUCTS



Product	Countries
Processed Vegetables	USA, Germany, Belgium, UK, Spain
Processed Fruits & Juices	USA, Netherlands, Saudi Arabia, UK, Germany
Processed Meat	United Arab Emirates, Vietnam, Qatar, Bangladesh, Bhutan

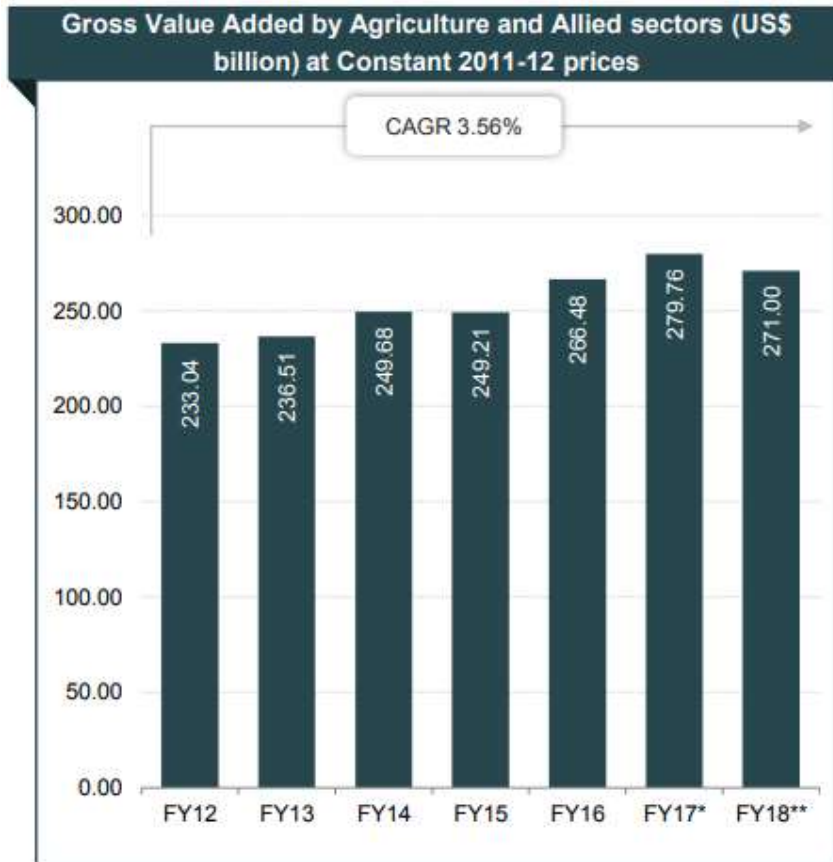
- Processed fruits & juices exports in FY18 reached US\$ 646 million, followed by miscellaneous processed items at US\$ 574 million and processed vegetable exports at US\$ 283 million.
- Exports of ready to eat items from India reached US\$ 689.80 million in FY18 and have reached US\$ million in FY19 (up to December 2018). 545.21
- Main export destinations for processed food products from India in FY18 were USA, EU and Middle East. The Indus Food – an international food and beverage trade show was organized in January 2018, witnessing participation from around 500 prominent global buyers from the food and beverage industry.

### GROWTH DRIVERS OF INDIAN AGRICULTURE



(Source: <https://www.ibef.org/download/agriculture-and-allied-industries-mar-2019.pdf>)





## OUR BUSINESS

The Company was incorporate on 30<sup>th</sup> January, 2009. Since inception our Group were into the business of growing and exporting of fresh exotics English vegetables to European market using imported Green Houses. We were operating our Business from our Company and our Group Companies Malnad Plantations (mainly into producing, marketing, selling and exporting of coffee & other plantation products and management of coffee estate and plantation land), Greens Nature's Fresh Farms Private Limited (Mainly into farming, sale of Agricultural products and Exports), Greens Natures Fresh Produce Private Limited (mainly into farming and sale of Agricultural products. The Company inter-alia is engaged in farm plantation, processing, logistics and deemed exports of vegetables including exotics and English vegetables and fruits) and Mamatha Speciality Foods Private Limited (mainly into processing and sale of Readymade packaged and processed food products). Earlier Exports were done from our Group Company Greens Nature's Fresh Farms Private Limited and deemed export from Greens Natures Fresh Produce Private Limited.

From 1<sup>st</sup> April 2018 all the business of Group Companies has been consolidated in our Company Greens Food Crafts India Ltd and all the business and exports activities are undertaking from our company. Our company was founded with an intent to supply "*World Class Fresh Agricultural Produce*" to the overseas markets. We have been able to establish ourselves as a player in the niche export markets. Having gained entry into the European market with our premium quality of products and consistency in supply, we have gained a reputation among the buyers as an exporter with consistent quality and on-time delivery, a feat few in the Indian Fresh Export Produce Industry can achieve.

Our production units are located in the state of Karnataka to take complete advantage of the availability of natural resources and convenient logistics. These locations were initially chosen because of the ready availability of water and skilled labour, which is essential for an agricultural business. Prior to finalising the locations, necessary soil and water tests were conducted to check the compatibility of the soil for horticultural crops. The salubrious climate has proven to be an advantage for our business as the quality, colour, texture, etc. of our products were found to be the best in class in our industry.

### Our Growth

We have a strong base in terms of necessary systems and certifications for export of fresh culinary herbs to highly demanding markets in Europe, UK, and Singapore. We have been recognised by our clients for the quality and timely delivery of goods. The export business has won several awards from FKCCI (Federation of Karnataka Chambers of Commerce & Industry) for good growing and operating expertise.

In the domestic market, growing consumer knowledge, interest, and purchasing power increased demand for exotic vegetables. This, in turn, played an important role in increasing our range of products and services to the market. Our Company has its presence in the complete value chain, a Farm to Fork focussed company, with its vertical integration. It is the holding company for all our businesses invested in food & agri space.

Our growth starting from farm gate operations to front-end retail sales has been a good learning experience, helping us build step-by-step with insights into every facet of the industry.

We believe that, we are one of the largest greenhouse growers with each unit well-established with imported greenhouses and post-harvest cold chain facilities. The greenhouses are custom-designed for specified climatic conditions and manufactured from galvanised iron which guarantees long life. The structures need minimal maintenance, the SOP for which is incorporated into everyday operations.

All facilities are GLOBALG.A.P. certified, demonstrating our adherence to worldwide food quality and safety standards, and Good Agricultural Practices (GAP). These standards exist to ensure the fulfilment of trade and government regulations with regard to food safety and quality control in the supply chain, and also more specific requirements for specialty or niche markets. They also ensure proper use of natural resources, workers' health and working conditions, reduce the risk of non-compliance regarding permitted pesticides, MRLs and other contamination hazards, while facilitating new market access for farmers and exporters in developing countries.

Our Pack House is also APEDA (Agricultural & Processed Food Exports Development Authority) certified. APEDA certified pack house are a necessity for exports into all European Markets.

The Post-harvest facility at each unit has been designed in a uni-directional manner, where the raw material is received at one end and after being cleaned and processed is moved out from another point. This is done primarily to avoid cross-contamination and to maintain food hygiene in the process. The workers are provided with necessary work clothes so that hygiene is maintained. The products are packed as per individual client requirement.

We believe that having a well-integrated backend operation in terms of strong links with growers ensuring consistency of supplies of fresh produce; a young team eager to learn; and having a presence in the frontend markets, export markets, HoReCa segment, retail and food-processing sector are all factors which make us a formidable player in the robust and dynamic Agribusiness sector.

The post-harvest facility typically houses 2 separate cooling chambers, for pre-cooling & post-cooling of the produce. Cooling systems have been installed with the capacity to cool down the temperature of the harvested produce in the shortest possible time without causing damage. Efficient pre- & post-cooling facilities enhance the shelf-life of the produce.

All units have 24-hour power supply to support the entire operation efficiently. In addition, high capacity backup generator systems have been installed to preempt power outages. The irrigation systems for each of our units are completely automated and designed to minimise time spent on the activity. Factor of deviation and error is also minimised with these systems. Our own refrigerated trucks ensure that the product is optimally preserved from harvest till it reaches the safe environs of our centralised processing unit located nearest to the airport with modern and well-planned cold storages for handling perishable exports.

We believe that we are one of the few Indian companies with a presence across the complete value chain which is imperative for the success and growth of our Company in this budding sector and that 80% of our field staff consists of women and that we have been able to support and employ women from rural sectors, providing stability and support to them.

In recent years, with tremendous growth in consumption and increased spending on fruits and vegetables in the Indian retail sector, it was a step in the right direction for us to enter the retail space. Having a retail space enhances our profitability and establishes our credibility as a serious player with a bright future in Agribusiness.

We believe that our systematic approach, in-depth knowledge across the spectrum, and operational expertise will help us to react quickly to new opportunities in the agribusiness sector. Our foray into branded and processed food and our established presence in the retail sector will help us optimise operations across all the verticals. It is a sector that has key policy support from the government and potential for growth especially after 100% FDI in this sector has been allowed.

The natural progression was involvement with the HoReCa Segment & branching out into an aggregator/distributor. To service the HoReCa segment and to supplement volumes which were needed on a daily basis, aggregation and contract farming came about. Our strengths being a well-integrated backend operation in terms of strong links with growers, in-house logistics and QC ensuring continuity of supplies of fresh produce at competitive prices and timely delivery.

**The export business has won several awards from FKCCI (Federation of Karnataka Chambers of Commerce & Industry) as well.**

## OUR LOCATIONS

A detail of our locations is as follows:

<b>Registered Office</b>	325/1, Rmv Extension, 5th Cross, 14th Main, Sadashiva Nagar Bangalore 560 080 Karnataka, India
<b>Plantation Unit 1</b>	Yelagudige and Sathihalli Village, Aldur Hobli, Chikmalgur Taluk and District
<b>Plantation Unit 2</b>	Bidare Village, Khandya Hobli, Sangameshwarpet Post, Chikmalgur Taluk and District
<b>Plantation Unit 3</b>	Anajoor Village, Gonibeedu Hobli, Mudigere Taluk, Chikmalgur Taluk and District
<b>Plantation Unit 4</b>	Aramanethalpur Village, Sunkasale Post, Balur Hobli, Mudigere Taluk, Chikmagalur District
<b>Plantation Unit 5</b>	Ujini Village, Khandya Hobli, Sangameshwarpet Post, Chikmagalur Taluk and District
<b>Plantation Unit 6</b>	Jainbilu Village, Angadi Post, Gonibeedu Hobli, Mudigere Taluk, Chikmagalur District
<b>Plantation Unit 7</b>	Konayakanahalli Village, Madihalli Hobli, Belur Talur, Hassan District
<b>Processing Unit</b>	Plot No. B-220, 4 <sup>th</sup> Cross, 1 <sup>st</sup> Stage Peenya Industrial Estate, Bangalore-560 058 Karnataka, India
<b>Retail Shops</b>	Shop No. 27, 3 <sup>rd</sup> Cross, 1 <sup>st</sup> Main, HIG Layout, RMV IInd Stage, Bangalore-560 094, Karnataka, India

	Shop No.17, 15 <sup>th</sup> Cross, 3 <sup>rd</sup> Main, Raj Mahal Vilas 2 <sup>nd</sup> stage, Dollar Colony Bangalore-560 094, Karnataka, India
	Shop No. 3, Property No. 93, Ashwathnagar, RMV 2 <sup>nd</sup> Stage, 1 <sup>st</sup> Cross, Bangalore -560 094, Karnataka, India
<b>Production/Export Units</b>	Kortigere and Danykanahalli Village, Kasaba Hobli, Belur Taluk, Hassan District, Karnataka
	Kolur Village, Kasaba Hobli, Doddaballapur Taluk, Bangalore Rural District, Karnataka
	Galipuje Village, Kasaba Hobli, Doddaballapur Taluk, Bangalore Rural District, Karnataka
	Mahdevpura Village, Kasaba Hobli, Srirangapatna Taluk, Mandya District, Karnataka
<b>Warehouse</b>	Plot No. 25/1 and 25/2, 1 <sup>st</sup> Main Road, Adugodi, Bangalore-560 030, Karnataka India

### Our Strengths

#### *Well Established Brand name and goodwill amongst market players*

We operate in a brand sensitive market. Over almost a decade we have tried to ensure sustainable growth and hence have developed an established brand name, acceptance & recall value in our operating markets. We have earned goodwill & competitive edge through our consistent quality oriented service. Further, we have developed goodwill amongst market participants including farmers, other intermediaries forming part of the vegetable supply chain, large MNCs as well as local vendors. We believe that our sector is not an easy to enter sector given that substantial portion of the business is carried out through trust and hence having developed goodwill would help us compete with new entrants in this sector in the future.

#### *Organized Approach and ready infrastructure*

The market we operate in has been dominated by unorganized participants. The supply of F&B products in India is a market which lots of large corporations and MNCs are looking to enter as well as partner with considering the size of the consumer markets in India. We are one of the select few with our own/in-house cold room facilities, logistics setups as well as multiple points of sales. We have the correct mix of service quality as well as organized and stable infrastructure.

### Our Strategies

Even though Greens started as a grower and exporter of the fresh produce using imported greenhouses, the company has diversified to make its presence in the food shelf, hotel, restaurant & catering with its own brand. All developed nations like America & European countries process 70 to 80% of fresh produce & India still being in single digit processing capability, gives us a good opportunity to tap this.

*To Stabilise the Export Basket, and Introduce our own Brand into the European Market*

*We believe we are one of the largest grower/producers export group in South India, but we have been predominantly focussing on selling to big trading houses through our brand, "GREENS", who have rebranded our produce, including coffee, fresh culinary herbs, exotic vegetables, and black Indian pepper, at a port of entry. Depending on the equity support we get in Europe, it would be worth putting forth our own/co-owned brand within the next 6 months. This would increase our profit margins but also the long-term ownership of the brand as we expand into other markets like the Middle East or South Asia Pacific region, where we are already operating.*

*Increase our focus on processed/prepared food items & goodwill and brand recall and make intellectual properties valuable*

We prepare and sell ready to eat and ready to cook mixes, in loose/semi-finished form to caterers as well as packaged food to Retailers and Wholesalers under our own brand name 'Mamatha'. We have our unique basket of South Indian breakfast items in the ready to eat and ready to cook formats which acts as a differentiator and provides an advantage to us.

We also plan to monetize our brands in the future either through authorised sales tie-ups or franchise model. We believe that investments made towards developing our branded food products business would yield long term shareholder wealth creation. To be one of the key players in the Indian food processing revolution. The next decade will be a big opportunity

for players to participate in the growth plan of India. The focus will be to have its own branded food whether it is fresh or processed, to reach its both its retail and B2B customer in own “MAMATHA” brand

**Expansion of Retail outlets to reach the people at large**

Expand our retail operations of the fruits & vegetable sale & distribution under its own brand “SIMPLY FRESH” to other clusters & cities. Have the process of farm-to-fork implemented across all the SKU’s in fruits and vegetables which currently has a lot of intermediaries. Strengthen the whole process of farm-to-fork logistics and distribution using our own collection and distribution centre & logistics assets.

Along with fresh, our focus will also be to add at least 10 to 15 stock keeping units of organic veggies and fruits too on our retail shelves. Though this is a tough proposition, the growing demands of next generation of people are looking to consume pesticide-free food and we will feel there is a huge demand for the same if it is done ethically & systematically. The market is huge in the developed nations across the globe and in India, it is a big opportunity and it is still in the infancy stage especially in the fresh produce segment.

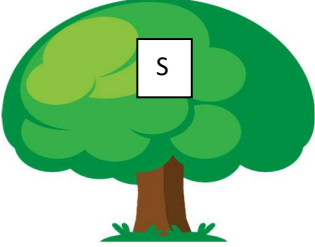
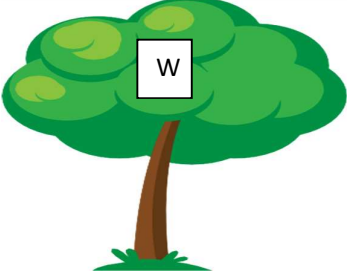
**Expand both Collection Centre (CC) & Distribution Centre (CC) operations**

**All of the above would require a robust procurement process and supply chain. Current CC operations will have to be strengthened with more procurement team members and more tools to ensure that the best produce is picked, sorted, graded and sent through our logistics supply chain process to our distribution and fulfillment centres.**

The strength of this business is based on the number of Collection and Distribution centres will allow us to reduce the number of people involved in the farm-to-form model implementation. The larger the footprint, the lesser the number of intermediaries and resulting in better procurement prices and also, we can pass better prices to the farmers.

These collections centres, will not only help us strengthen the footprint for front markets in HoReCa Segment, and our own retail but also support us to get material for our processing sector at much better pricing since it will allow us to buy all grades in the same lot.

**SWOT Analysis:**

	<p>We believe that we are one of the best Companies in the food and Agribusiness space with nearly 9 years of experience from the farm gate to the sale of produce in own brand name.                  Have a technically-strong team with long-standing association with Israeli Agri &amp; food business.                  Experienced Promoter with nearly 2 (two) decades of experience in the retail and food industry.                  Comparatively well-integrated farm-to-fork operations with intention to minimize the middlemen in its operations.</p>
	<p>Access to capital is still a very big challenge and also the right kind of working capital to run the operations.                  Still have lower geographical reach.                  The sector has very limited experienced people at farm gate operations management and will be not easy to train and allow them to manage farm or post at farm gate operations easily.                  Development &amp; access to technology such as high-quality seeds (Plant Biotechnology) and better farm equipment</p>

	<p>Huge opportunity in the processing of fresh produce - both veggies and other produce.                  A lot of initiatives from both state &amp; central government in all the sectors of Agri &amp; Food Business                  The food &amp; agri market we are operating in is huge and to show growth year on year could be easily envisioned                  Retail of fresh produce is still in its infancy stage and opportunity to sell organic and GAP practiced produce would fetch higher returns                  Agri warehousing and packhouse management &amp; operations is another big opportunity.</p>
	<p>Nature &amp; climate conditions beyond the control of human beings                  High level of intermediation is present in all segments of fresh produce movement from the farm to fork                  Export of produce is mainly dependent on the individual policy of the export markets and on duties and compliance                  Air and Sea Freight are heavily depending on world oil prices which in-turn affects export potential.</p>

**DETAILS OF OUR BUSINESS:**

**EXPORT OPERATIONS: Fresh Produce**

The green houses have been specifically designed keeping the climatic conditions in mind and are made to order. The green houses are manufactured from galvanised Iron which guarantees long life of the green house and quality is not compromised. The structure needs minimal maintenance, the SOP for which is incorporated into everyday operations.





All facilities are Global Gap Certified. GLOBALG.A.P. which is an internationally recognized set of farm **standards** dedicated to Good Agricultural Practices (**GAP**). Through certification, producers demonstrate their adherence to GLOBALG.A.P. standards. These GAP codes, programmes or standards exist because of growing concerns about food quality and safety worldwide. Their purpose varies from fulfilment of trade and government regulatory requirements, in particular with regard to food safety and quality, to more specific requirements of specially or niche markets. Their objectives range from ensuring safety and quality of produce in the food chain; capturing new market advantages by modifying supply chain governance; improving natural resources use, workers' health and working conditions to creating new market opportunities for farmers and exporters in developing countries. The benefits of GAP codes, standards and regulations are numerous, including food quality and safety improvement; facilitation of market access and reduction in non-compliance risks regarding permitted pesticides, MRLs and other contamination hazards.

The Post-Harvest facility at each unit has been designed in a uni-directional manner, where the raw material is received at one end and after being cleaned and processed is moved out from another point. This is done primarily to avoid cross contamination and to maintain hygiene in the process. The workers are provided with necessary work clothes, so that hygiene is maintained. The products are packed as per individual client requirement.



The post-harvest facility typically houses 2 separate cooling chambers, for pre-cooling & post cooling of the produce. The cooling systems have been installed which have the capacity to cool down and bring down the inherent temperature of the harvested material in the shortest possible time without causing damage to the material. Efficient pre & post cooling facilities enhance shelf-life of the produce.

All units have 24 hour power line connections which support the entire operations efficiently. In addition, high capacity backup generator systems have been installed to support power outages.

The irrigation systems for each of our units are completely automated and designed to minimise time spent on the activity. Factor of deviation and error is also minimised with these systems.

Our own refrigerated trucks ensure that cold chain of the product is not disturbed from harvest till it reaches the safe environs of our centralised processing unit located nearest to the airport. International airport which has modern and well planned cold storages for handling perishable exports.



Each unit has its own team of well-trained staff and skilled labour. Both staff and labour are trained periodically by our senior agronomists and QC Manager. Sufficient signages & pictures are displayed within our farm to help reinforce these points regularly.

We export a basket of Fresh Culinary Herbs like Chives, Basil, Tarragon, Oregano, Thyme, Rosemary, Parsley, Sage, and Mint. These items form a basket of culinary herbs which are a common and high-volume consumption items in the daily purchases of customers in the target markets.



Exports take place throughout the year to clients in Europe, UK, Middle East, and Singapore.

Additional products like Coloured Bell Peppers and cherry tomato have been included to increase the diversity of product basket.

All production planning is based on prior orders received by clients and is pegged to each client requirement.

High-end hypermarkets also stock fresh cut & packed herbs and potted Herbs from our farms for their discerning clients.





**DEEMED EXPORTS OPERATIONS**

Our company owns plantations in the Malnad regions of Chickmagalur where we are a large scale grower and intensively cultivate crops such as coffee, pepper, Arecanut. The plantations are intercropped in a manner where all 3 crops flourish well together. Our approach has been to provide a nourishing environment where all crops can sustain and enable the growth of the other.

Coffee sold and exported from our plantations is used in instant mixes at large manufacturers and are exported to Germany, Italy and the US markets.

The region’s pepper is known for its intensity of heat and aroma and is always sold at a premium in the end market to consumers. Pepper is largely exported to the Middle East and Indian pepper commands a premium in these markets as a fine aromatic and spice.

Arecanut is used as a core ingredient in pan & mouth freshener manufactures. The product grown in our region is known for its good size and flavour profile and is a favourite with end manufacturers.





The crops grown here are sold to repackers/exporters, where they undergo a level of processing and are exported to the market's world over.

**AGGREGATION & DISTRIBUTION OPERATIONS**

*Highly Scalable platform for growth driven by operational expertise and vertically integrated agribusiness*

Nature's Fresh farms division is the grower/feeder farm for the domestic vegetable supplies & our retail stores. Here open field growing is carried out for exotics & regular vegetables.

More than 20 varieties from exotic to local vegetables are grown in company-owned farms. The end product is in turn sold to our aggregation company for its sales to HoReCa segment.

**FARM FRESH PRODUCE** – Includes all vegetables Indian and Exotic, grown under protected environment, as well as in the open fields, supplying farm fresh goodness year-round.







Our in house growing acts as a buffer when there is a shortage of vegetable supplies in the market & helps to keep our margins healthy, as we have a fixed growing cost through the year for these crops & hence purchase cost of raw material for our front end is not affected by the dynamics of the demand & supply in the market.

Our basket of vegetables produced ensure, that there is a constant change in crops grown and hence the soil is able to maintain its inherent balance and texture.

The production planning is very dynamic and is varied to accommodate any new high-volume orders or high margin products that we foresee could benefit the front-end stores.

**PROCESSING & PROCESSED FOODS: Homegrown brands with a modern outlook**

The Company also operates in the Processed and Packaged food market under the brand name of “Mamatha” as a manufacturer of Ready to Eat & ready to cook foods. At conception, the aim was to provide traditional South Indian breakfast foods, in a convenient “fast food format” for the growing urban nuclear families at affordable prices.

We have since expanded our range of products to include foods in different packaging concepts, which caters to different segments and categories of consumers. We focus on developing foods that are not only convenient but also healthy, as no preservatives are added to any of our products.

We currently have more than 25 SKU’s ranging from Instant Upma, Poha, Kesaribhath in a convenient cup treat format. Ready to mix dosa mixes, instant chutney’s and masala mixes to name a few.



Mamatha range of products retails at several modern retail and kirana stores and relevant E-Comm players to reach our products to a wider customer base.



We also work on private labelling for the corporate sector and bigger retailers that stock our products with an approach towards increasing production volumes.

We intend to expand into the packaged spices & pickle segment to capture the growing middle-class consumers. Foods made from traditional food grains like millets and whole grains are also being researched and undergoing product testing at our lab.

## RETAIL STORES: SIMPLY FRESH

Our new vertical operating in the Fruits & Vegetable Retail Sector is aptly called “Simply Fresh”. Our presence in the retail sector is an entry into the final stage in the entire agri value chain. It an important milestone for us and a very significant step in the right direction.

Simply Fresh operates small-format stores in the range of 100-200 sqft, retailing fresh fruits & vegetables. Our stores are located close to large residential societies or complexes catering to the everyday needs of the residents in the area.

Our strategy is to have one store for every cluster of 300-400 households, with a target to cater to as many households as possible. The stores operate from 6am-10pm and thus are a convenient neighbourhood store within reach.

Once we identify a location, the same is made operational in 45 -60 days. We have developed a standardised approach to our design and layout, which ensures consistency in the look & feel of the stores. Our HR team goes about identifying the new recruits for the store & along with the QC team trains & preps the new recruits in customer management, SOP’s, hygiene and personal care and specific training with regard to dissipation of knowledge on fruits & vegetables, keeping quality, shelf life of products and more.

The stores stock produce directly procured from farmer groups or our company farms, thereby cutting out the middle man and giving the customer better value for goods and quality products with minimal handling.

The stores are stocked with fresh supplies twice daily from the warehouse. The closing stock is monitored in real time by our robust MIS & on checking this, replacement stock is delivered by warehouse team with an aim to eliminate short supplies or non-availability of an item at the store.



The stock being supplied to stores & current stock at stores is closely monitored and checked by the QC team for quality inconsistencies if any and is removed.

Our stores are hygienic, well-designed, well-stocked and staff undergoes training periodically in matters of hygiene and customer interaction and customer care.

The **USP** of Simply Fresh stores is the freshness & affordable price points at which our products are available in a hygienic and clean environment with the option of free home delivery. As the supply is farm linked or grown in our own farms, we are able to supply fresh products with competitive pricing to the government wholesale rates. The store stocks 150+SKU’s in the fruit & vegetable segment. Fresh milk & milk products, frozen vegetables, refrigerated batters are also other items stocked at the stores.

This has helped customers identify our stores with the reliability of freshness & Price.

## PROCESS FLOW:



## Farm Gate Operations:



- ❖ Greens & Natures Fresh brands own and operate both state of the art greenhouses production area and open field cultivation across 7 plantation units, 3 Retail Shops, 4 Production/Export Units and 1 Warehouse.
- ❖ Farm gate operations have sizable managerial and supervisory staff supported skilled and semi-skilled labourers.

## PRODUCTS:

### FOR EXPORT MARKET:

- ❖ We believe our Company has been one of the Market Leaders in Fresh Culinary Herbs production & export of Chives, Basil, Parsley, Celery.
- ❖ Recently started exporting coloured capsicum to the Singapore market and Mena Region

### FOR DOMESTIC MARKET:

- ❖ Grower, aggregator and distribution leader in different exotic vegetables.
- ❖ Along with exotics, the basket consists of Indian vegetables into our distribution consisting of an additional 150 SKUs.

In terms of a sales strategy, it also reassures Our HoReCa clients of continuity of supplies with standard quality.

The broad-based market that we have on hand for the vegetables grown is major leverage, in that profitability at the farm gate is always maximised and that the marketing issues faced by the traditional farming industry are largely negated.

We have devised a highly scalable and revenue generation grower-buyer model in this business, wherein the company-leased land is leased out in demarcated areas to individual growers who in turn grow & sell back the produce to the Company. This translates to higher productivity, lower costs & ownership of the growing. This model is a win-win for both, as the company resources are optimally utilised with good revenues & the growers also have a facility with good infrastructure & assured revenues from produce grown.

We intend to expand this highly scalable model to other locations as well, where revenues from unutilised farmlands can generate revenues for landowners with no risk of finding buyers as the same will be bought at prices which are on par with rates fixed by Govt. auction house by our Natures Fresh Produce to supply to HoReCa or Simply Fresh retail stores.

As trading volumes increase, we intend to have the second-grade quality termed so because of uneven shape or colour of material be sent for processing- either cutting/slicing or even frozen/dried vegetables, which will be an additional revenue generator.

Nature's Fresh Farms also encompasses the contract farming activity which is carried out in tandem with our in-house growing. This is essentially carried out in areas with specialised skill to grow a particular product cost effectively or with a view to optimise our logistics costs by creating a farmer cluster and procuring & moving the material together in the same vehicle.

### **Marketing and selling arrangements**

As for the export and deemed export products, the market is vast and hence marketing and sales is not an area of concern as demand far exceeds supply and it's a worldwide market.

For the domestic fresh vegetable supplies to the HoReCa market, we have a dedicated marketing and sales team which takes care of client requirements.

A separate sales and marketing team service the processed food market.

### **Infrastructure facilities**

#### **The main utilities required for our manufacturing activities are:**

##### ***Power:***

The power requirement for our operations is primarily met by Karnataka Electricity Board (KEB). The operations in nearly every location have permanent power connections. The EOU units have a 24x7 supply with an average of about 100 KVA at each location. All the EOU units have backup D.G. (diesel generator) sets of 250 KVA each in unit I and one D.G. set of 250 KVA in Unit II as a standby arrangement.

##### ***Fuel:***

There is no requirement for any hazardous fuel for manufacturing our products. However, fuel is required only for the Generators, which is sourced from the local source available.

##### ***Water:***

Water required for the manufacturing and allied process is procured through the existing water supply network in that area.

##### ***Effluent Treatment:***

Our Company does not generate any industrial effluents which are hazardous to the environment.

##### ***Sewage Treatment:***

Sewage Treatment Plants are only installed inside coffee pulping units. Rest of the units do not produce any sewage but wastewater is used for gardening purposes and other applications wherever suitable.

### **Competition**

We compete with the organized and the unorganized sectors on the basis of availability of products, product quality, and product range. A detailed note on the competition is explained in the separate section under Competition Overview starting at page no. 145.

### **Capacity and capacity utilizations**

Due to the nature of the business and industry in which the Company operates it is difficult to ascertain the exact capacity utilization since the same machinery are used to manufacture various types of products of different dimensions.

### **Technology**

Except for the machinery which has been disclosed in this section, we have implemented ERP system running on Microsoft AZURE platform to maintain our inventory and sales and various other day-to-day Management information system and reports. The servers are collocated in California and Singapore and are the backbone of the whole complex aggregation and distribution operations which includes a large number of purchase data from the farmers and front retail sales customer service management data.

### **Collaborations**

Our Company has not entered into any technical or other collaboration.

### **Human Resource**



We believe that we have a qualified and experienced employee base, managed by middle and senior management personnel. As on December 31, 2018, we had around 1500 employees (including a large on-demand skilled agri temporary labour force) at our production units, Administrative Office and Retail units. There is human resource policy uniformly adopted for all personnel engaged in our management, staff, and worker.

The employee strength of our Company as on December 31, 2018, is as follows:

Category	No. of employees
<b>On Permanent Basis</b>	
Directors /KMP	13
Managers	35
Executives	35
Semi-skilled and Unskilled labour/staff	100
<b>Total (A)</b>	
<b>On Temporary/ Contractual basis</b>	1200
Trainees	10
On a contract basis	120
<b>Total (B)</b>	
<b>Total manpower (A+B)</b>	<b>1503</b>

Apart from the above employees, we also employ labour on a temporary basis as and when required. For details on our key managerial personnel, kindly refer to the chapters titled "Our Management" and "Government & Other Approvals" beginning on pages 111 and 170, respectively, of this Draft Prospectus.

#### **Details of Properties owned/leased by the Company:**

Our Company does not own any properties in its books. However, we have entered into lease agreements for certain of our properties as below:

#### **Rent Agreements**

S. No	Location of the property	Area	Licensor / Lessor	Rent / License Fees (In ₹)	Lease / License period*	Purpose
1.	Bangalore	Sadashivnagar	K.T Mahesh	76,250/- P.M.	10 Years	Office
2.	Hassan	Belur	Ramya GC & Other	750000/- P.Y.	10 Years	Plantation
3.	Chikmagalur	Chikmagalur (6 Units)	Ramesh Gowda	25,00,000/- P.Y.	10 Years	Plantation
4.	Bangalore	Peenya	Intex Tools & Components Pvt. Ltd. & Others	62,000/- P.M.	5 Years	Processing Unit
5.	Bangalore	RMV Extn	B Ashwathamma	12,000/- P.M	3 Years	Retail Shop
6.	Bangalore	Dollars Colony	G. Iniyamma	29,800/- P.M	2 Years	Retail Shop
7.	Bangalore	Ashwathnagar	Lakshamma	9,000/- P.M	11 Months	Retail Shop
8.	Hassan	Belur-(Kortigere and Danykanahalli Village)	Ramya GC	20,00,000/- P.Y.	10 Years	Production
9.	Mandya & Bangalore Rural	Three Units: Kolor village, Galipuje Village-(Doddaballapur taluk ), Mahadevpura Village-(Srirangapatna taluk)	Ramesh B. Gowda	40,00,000/- P.Y.	10 Years	Production / Export
10.	Bangalore	Audugodi	Sudhir Kittur	40,000/- P.M.	10 Years	Warehouse

*Note: The Agreements as above are effective as of 1 April 2018 and will continue for the period mentioned in the column "Lease/License Period".*

### **Intellectual Property**

We have made application to register following logos and trademarks i.e. “GREENS”, “Nature’s Fresh”, “Fresh Connection to India”, “Simply Fresh”, “MAMATHA”, “CUP TREAT” and “Simply Organics” and we are awaiting approval for the same under Class 12 of the Trade Marks Act, 1999.

### **Health safety and environments**

Our activities in the state of Karnataka are subject to a wide range of government rules and regulations regarding health, safety, and environmental protection. We are committed to protecting the health and safety of employees and contractors working in our factories, people who come in contact with our operations and the health and sustainability of the environment in which we operate.

We believe that ensuring the health and safety of our employees is critical to the success of our business and operations. We are therefore committed to complying with applicable health, safety, and environmental regulations and other requirements in our operations.

### **Insurance:**

We have obtained insurance coverage in respect of certain risks. While we believe that we maintain insurance coverage in adequate amounts consistent with the size of our business, our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits, losses due to terrorism, etc. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed.

S. No.	Name of the Insurance Company	Name of the Insured	Type of Policy	Validity Period	Description of cover under the policy	Policy No.	Sum assured amount (Rs. In Crores)	Premium Paid amount (in Rs.)
1	Bajaj Alliance	Greens – Production Area Only	Standard Fire & Special Perils	29 <sup>th</sup> July 2019	Standard Fire & Special Perils	OG-18-1901-4010-00001010	36.03	57,640
2	Bajaj Alliance	Greens – Production Area Only	Theft	29 <sup>th</sup> July 2019	Theft	OG-18-1901-4001-00005254	.001	6963

### **Awards and Recognitions:**

We have been recognised and awarded for our efforts in the export sector being a recipient of the following awards

- ❖ FKCCI Export Excellence Award for Best District Exporter – 2011
- ❖ FKCCI- Export Excellence Award for Best Manufacturer Exporter Award-Silver -2012
- ❖ FKCCI- Export Excellence Award for Best Manufacturing Exporter Award – 2014
- ❖ Govt. of Karnataka –State Excellence Award- Women Entrepreneur- 2014
- ❖ FKCCI – Export Excellence Award –District Exporter Award -2015
- ❖ FKCCI – Export Excellence Award –District Exporter Award -2016
- ❖ FKCCI – Export Excellence Award –District Exporter Award -2016

## COMPETITION – OVERVIEW

### 1) A) Fresh Produce- Exports

The competition in the fresh produce market in India is from growers located in Pune and Gujarat. Greens being one of the largest exporters of fresh culinary herbs and other fresh produce from Karnataka.

- **Namdhari Group** is an exporter of fresh vegetables to the EU, UK and the Middle East. The company has own growing and contract farming to substantiate and fulfil all requirements in the product basket.
- **The Godawat Group** is an exporter of flowers and has in the past 3 years entered the herbs export market.
- **Asian Granito India Limited** who are present in the fresh herb export market, as well as in the dried herbs market.
- **Kay Bee Exports** is a grower/exporter of fresh fruits and vegetables to the EU and UK. The company specialises in the exports of pomegranate, mango, okra, and chilies.

These are companies who have widely diversified areas of business.

### b) Plantations – Coffee, Pepper and Arecanut

The **South of India** mainly Karnataka, Kerala and a small area in Tamil Nadu consist of the largest coffee growing regions in India. The region of Chickmagalur, Coorg, and Sakleshpur in Hassan district comprise of the main coffee growing areas which account for 71% of the coffee grown in India.

There are about 250,000 coffee growers in India, with about 90% percent falling in the small grower's bracket with less than 50 acres of land holding. The main varieties cultivated being Arabica and Robusta varieties.

Indian Pepper is rated as the best in terms of quality and is termed as Black Gold for its high export value.

Arecanut also cultivated individually or as a mixed crop, is exported as well as consumed within the country.

Greens Group lies in the balance of 10% of growers who have larger plantation holdings. A large percentage of growers export their produce through export houses which are termed as deemed exports and a few processes and export the goods themselves or in a consortium.

### 2) a) Fresh Produce – Domestic HoReCa Sector

Organised players operating in the supply of fresh fruits & vegetables to the HoReCa segment in Bangalore, Karnataka are Kamatan and the new entrant Zomato.

- **Zomato: The food tech unicorn** is the latest entrant in the farm to fork business model, aiming to become a full stack solution for restaurants by starting supplies of staples such as fruits and vegetables to the restaurant industry. Their focus being to supply hygienic and quality produce to their restaurant partners.
- **Kamatan** – formerly LivLush and Sabziwala, and now merged under the new entity named Kamatan, and is creating a technology platform to assist farmers from growing to harvest and packaging and also linking produce to wholesalers and large modern retailers. The multi-city company, have their presence in HoReCa and Wholesale (B2B) Sector.
- **Leaf – Lawrencedale Agro Processing India Pvt Ltd** - Leaf is another premier fresh produce supply chain company. The company sources produce from farmers, cleans them using an automated washing technology to remove microbes, harmful pesticides, and chemicals, packs and delivers them to the large retail stores.

### b) Fresh Produce - Whole Sale(B2B) – Cold Storages, Collections & Distribution Centers.

- **NinjaCart** is a leading AGriTech platform who is focused on setting up Aggregation and distribution across the country centers to source directly from farmers and supply to retailers. The company has raised funds to strengthen infrastructure and supply chain in the cities of Bangalore, Chennai, Hyderabad, Delhi, and Mumbai.
- **Croffarms** is an online platform that works directly with farmers and enables farmers to work directly with the retail sector. They operate in the NCR region.

### 3) Fresh Produce – Branded Retail

- **KVN Retail (Kovai Pazamudhir Nilayam)** is one of the organised retailers in the fresh fruit and vegetable sector in Coimbatore. They currently operate around 50 stores in Tamil Nadu.

- **Way Cool Foods P Ltd (Sunny Bee)** is in the fresh fruit & vegetable sector, operating via Omni channels of branded retail outlets, branded sales trucks, shop in shop and also delivery to wholesalers.

#### 4) **Processed Food Sector**

The processed foods sector supplying Ready to Eat (RTE), Ready to Cook (RTC) and Instant Food mixes has a mix of large and smaller companies, some focusing on the entire range of foods and some in specific verticals only.

- **MTR** is the name to reckon with in the South Indian – RTC/RTE, Spices, and Instant Mix foods Sector. It has an 85-year history in the food sector and is present all across India and in many countries abroad.
- **Maiyyas**, another name associated with the RTE/RTC and snack foods has currently closed operations due to differences between shareholder and investors.
- Other Companies operating only in certain verticals of the sector or specific food products are **Kwality Foods, Indira Foods, Pagariya Foods, Udupi Ruchi** etc.

## KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the chapter titled —Government and Other Approvals beginning on page no 170 of this Draft Prospectus.

The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local bye-laws. The following is an overview of the important laws, regulations and policies which are relevant to our business in India. Certain information detailed in this chapter has been obtained from publications available in the public domain. The description of law, regulations and policies set out below are not exhaustive, and are only intended to provide general information to bidders and is neither designed nor intended to be a substitute for professional legal advice.

In addition to what has been specified in this Prospectus, taxation statutes such as the Income Tax Act, 1961 and Central Goods and Services Tax Act, 2017, various labor laws and other miscellaneous laws apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled — Government and Other Approvals beginning on page no 170 of this Prospectus.

Depending upon the nature of the activities undertaken by our Company the following are the various regulations are applicable to our company

### APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page number 170 of this draft prospectus.

### INDUSTRY SPECIFIC LEGISLATIONS

#### INDUSTRY RELATED LAW:

The Food Safety and Standards Act, 2006. The Food Safety and Standards Act, 2006 (FSSA) was enacted on August 23, 2006 with a view to consolidating the laws relating to food and to establish the Food Safety and Standards Authority of India (the “Food Authority”) for setting out scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption. The Food Authority is required to provide scientific advice and technical support to the GoI and the state governments in framing the policy and rules relating to food safety and nutrition. The FSSA also sets out requirements for licensing and registering food businesses, general principles for food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by “Food Safety Appellate Tribunal”. The FSSA has not been fully notified and has only been partially enacted. In exercise of powers under the FSSA, the Food Authority has framed the Food Safety and Standards Rules, 2011 (FSSR) which have been operative since August 5, 2011. The FSSR provides the procedure for registration and licensing process for food business and lays down detailed standards for various food products. The FSSR also sets out the enforcement structure of “commissioner of food safety”, “food safety officer” and “food analyst” and procedures of taking extracts, seizure, sampling and analysis. The Food Authority has also framed the following food safety and standards regulations in relation to various food products and additives:

- Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
- Food Safety and Standards (Food Product Standards and Food Additives) Regulations, 2011;
- Food Safety and Standards (Prohibition and Restriction on Sales) Regulations, 2011;
- Food Safety and Standards (Contaminates, Toxins and Residues) Regulations, 2011; and
- Food Safety and Standards (Laboratory and Sampling Analysis) Regulations, 2011.

The key provisions of the FSSA are:

- Establishment of the Food Authority to regulate the food sector;

- The Food Authority will be aided by several scientific panels and a central advisory committee to lay down standards for food safety. The standards will include specifications for ingredients, contaminants, pesticide residue, biological hazards and labels;
- Enforcement through “state commissioners of food safety” and other local level officials;
- Registration or licensing requirement for every entity in the food sector. Such licence or a registration would be issued by local authorities;
- Every distributor is required to be able to identify any food article by its manufacturer, and every seller by its distributor; and
- Any entity in the sector is bound to initiate recall procedures if it finds that the food sold has violated specified standards.

The Food Safety and Standards Authority of India (FSSAI License) has made it mandatory to label the organic products. FSSAI issues many rules and regulations that which should be followed by the food companies that are selling organic products. Companies can get a voluntary logo from FSSAI who are dealing in organic produce such that the product is named organic.

**The organic food business requires certification by any one of the authorities:**

- National Programme for Organic Production (NPOP)
- The Participatory Guarantee System for India (PGS-India)

**Legal Metrology Act, 2009**

The Legal Metrology Act, 2009 (“L.M. Act”) governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L.M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State. The Act also provides The West Bengal Legal Metrology Enforcement Rules, 2011, The Legal Metrology (General) Rules, 2011, The Legal Metrology (Package Commodities) Rules, 2011, The Legal Metrology (Approval of Models) Rules, 2011, which may be followed for due compliance.

**Standards of Weights and Measures Enforcement Act, 1985**

The Standards of Weights and Measures Enforcement Act, 1985 regulates the classes of weights and measures manufactured, sold, distributed, marketed, transferred, repaired or used and the classes of users of weights and measures. The Act was passed with a view to regulating and modernizing the standards used in India based on the metric system. The units of weight which are sought to be used in day to day trade are required to be periodically inspected and certified by the designated authorities under this act for their accuracy.

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

BIS Act was notified on March 22, 2016 and came into effect from October 12, 2017. The BIS Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India. It has broadened BIS’s ambit and allows Central Government to make it mandatory for certain notified goods, articles, processes etc. to carry standard mark.

**Prevention of Black Marketing and Maintenance of Supplies Act, 1980**

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

**Prevention of Food Adulteration Act, 1954:**

This Act is the basic statute that is intended to protect the common consumer against the supply of adulterated food. This specifies different standards for various food articles. The standards are in terms of minimum quality levels intended for ensuring safety in the consumption of these food items and for safeguarding against harmful impurities and adulteration. The Central Committee for Food Standards, under the Directorate General of Health Services, Ministry of Health and Family Welfare, is responsible for the operation of this Act. The provisions of the Act are mandatory and contravention of the rules can lead to both fines and imprisonment. Prevention of Food Adulteration Act applies to domestic and imported food commodities, encompassing food color and preservatives, pesticide residues, packaging, labeling and regulation of sales.

**Agricultural Produce (Grading and Marketing) Act, 1937 (Agmark):**

The Directorate of Marketing and Inspection enforces the Agricultural Produce (Grading and Marketing) Act, 1937. Under this Act Grade standards are prescribed for agricultural and allied commodities. These are known as Agmark' standards. Grading under the provisions of this Act is voluntary. The DMI enforces the Agricultural Products (Grading and Marketing)

Act, 1937. Under this Act, Grade Standards are prescribed for agricultural and allied commodities. These are known as "Agmark" Standards. Grading under the provisions of this Act is voluntary. Manufacturers who comply with standard laid down by DMI are allowed to use "Agmark" labels on their products.

#### **Environmental Regulations**

Our Company is subject to Indian laws and regulations concerning environmental protection. The principal environmental regulations applicable to industries in India are the Water (Prevention and Control of Pollution) Act, 1974, the Water Access Act, 1977, the Air (Prevention and Control of Pollution) Act, 1981, the Environment Protection Act, 1986 and the Hazardous Wastes (Management and Handling) Rules, 1989. Further, environmental regulations require a company to file an Environmental Impact Assessment (EIA) with the State Pollution Control Board (PCB) and the Ministry of Environment and Forests (MEF) before undertaking a project entailing the construction, development or modification of any plant, system or structure. If the PCB approves the project, the matter is referred to the MEF for its final determination. The estimated impact that a particular project might have on the environment is carefully evaluated before granting clearances. When granting clearance, conditions may be imposed and the approving authorities may direct variations to the proposed project.

#### **The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008**

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, as amended (**Hazardous Wastes Rules**), which superseded the Hazardous Wastes (Management and Handling) Rules, 1989, state that the occupier will be responsible for safe and environmentally sound handling of hazardous wastes generated in his establishment. The hazardous wastes generated in the establishment of the occupier should be sent or sold to a recycler or re-processor or re-user registered or authorised under the Hazardous Wastes Rules or should be disposed of in an authorised disposal facility. The Ministry of Environment and Forests has been empowered to deal with the trans-boundary movement of hazardous wastes and to grant permission for transit of hazardous wastes through any part of India. No import of hazardous waste is permitted in India. The State Government, occupier, operator of a facility or any association of the occupier will be individually or jointly or severally responsible for, and identify sites for, establishing the facility for treatment, storage and disposal of hazardous wastes for the State Government.

### **GENERAL CORPORATE COMPLIANCE**

#### **The Companies Act 1956 and the Companies Act, 2013**

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One-Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

### **EMPLOYMENT AND LABOUR LAWS**

Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952. The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

#### **Employees Deposit Linked Insurance Scheme, 1976**

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

**The Employees Pension Scheme, 1995**

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

**Workmen's Compensation Act, 1923**

The Workmen's Compensation Act, 1923 provides that if personal injury is caused to a workman by accident during his employment, his employer would be liable to pay him compensation. However, no compensation is required to be paid (i) if the injury does not disable the workman for more than three days, (ii) where the workman, at the time of injury, was under the influence of drugs or alcohol or (iii) where the workman wilfully disobeyed safety rules.

**Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day.

**Payment of Gratuity Act, 1972**

Under the Payment of Gratuity Act, 1972, an employee in a factory or any other establishment in which 20 or more than 20 persons are employed on any day during an accounting year who is in continuous service for a period of five years notwithstanding that his service has been interrupted during that period by sickness, accident, leave, absence without leave, lay-off, strike, lock-out or cessation of work not due to the fault of the employee is eligible for gratuity upon his retirement, superannuation, death or disablement.

**Minimum Wages Act, 1948 ("MWA")**

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

**Maternity Benefit Act, 1961**

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

**Equal Remuneration Act, 1979**

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

**Child Labour Prohibition and Regulation Act, 1986**

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.



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

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

**Contract Labour (Regulation and Abolition) Act, 1970**

The Company is regulated by the provisions of the Contract Labour (Regulation and Abolition) Act, 1970 (CLRA) which requires the Company to be registered as a principal employer and prescribes certain obligations with respect to welfare and health of contract labourers. The CLRA vests responsibility in the principal employer of an establishment, to which the CLRA applies, to make an application to the concerned officer for registration of the concerned establishment. In the absence of such registration, contract labour cannot be employed in the concerned establishment. Likewise, every contractor, to whom the CLRA applies, is required to obtain a license and may not undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

**The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

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

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

**ENVIRONMENTAL LEGISLATIONS****The Environment Protection Act, 1986 ("Environment Protection Act")**

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

### **National Environmental Policy, 2006**

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of the National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

### **TAX RELATED LEGISLATIONS**

#### **Income-Tax Act, 1961 (the "IT Act") and Rules made thereunder**

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

#### **Central Goods and Services Tax Act, 2017 (the "GST Act")**

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combine the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST will be levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India will adopt a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state will be levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

#### **Customs Act, 1962 (the "Customs Act")**

The Customs Act governs among other things, the import and export of goods, determination of rate of duty, tariff valuation, the manner of payment to authorities, and loading and unloading of goods. The Customs Act also provides for levy of penalty and/or confiscation of prohibited or dutiable goods. The duties imposed on the import and export of goods are subject to rates specified under the Customs Tariff Act. Further, pursuant to the Customs Act, the Department of Customs appoints ports or airports as customs ports or customs airports and places as Inland Container Depots (ICDs).

### **IMPORTANT GENERAL LAWS**

#### **Foreign Exchange Management Act, 1999 ("FEMA") and Regulations framed thereunder.**

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

**The Foreign Direct Investment**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), has issued consolidated FDI Policy Circular of 2017 (“FDI Policy 2017”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“RBI”) also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

**Micro, Small and Medium Enterprises Development Act, 2006 (the “MSMED Act”)**

The MSMED Act seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides that where an enterprise is engaged in the manufacturing and production of goods pertaining to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951, the classification of an enterprise will be as follows:

- a. where the investment in plant and machinery does not exceed twenty-five lakh rupees shall be regarded as a micro enterprise;
- b. where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees shall be regarded as a small enterprise.
- c. where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees shall be regarded as a medium enterprise.
- d. The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority.

The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council (“Council”). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

**Competition Act, 2002**

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act, 2002. The provisions of the Competition Act relating to combinations were notified on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act.

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

The NI Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid.

**Consumer Protection Act, 1986 (“COPRA”)**

COPRA aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services, price charged being unlawful and goods being hazardous to life and safety when used or being offered for sale to the public.

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

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

**Arbitration and Conciliation Act, 1996, as amended (the “Arbitration Act”)**

The Arbitration Act was enacted to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Arbitration Act *inter-alias* to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration, to provide that the arbitral tribunal gives reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction, to minimize the supervisory role of courts in the arbitral process, to permit an arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings to encourage settlement of disputes etc.

**Transfer of Property Act, 1882:**

The transfer of property is governed by the Transfer of Property Act, 1882 (“T.P. Act”). The T.P. Act establishes the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

**Registration Act, 1908:**

The Registration Act, 1908 (“Registration Act”) has been enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. Section 18 of the Registration Act provides for non-compulsory registration of documents as enumerated in the provision.

**PROPERTY RELATED LAWS AND INTELLECTUAL PROPERTY**

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

**Indian Patents Act, 1970**

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

**The Copyright Act, 1957**

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

**Trade Marks Act, 1999 (“TM Act”)**

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

**Design Act, 2000 (Designs Act)**

The Designs Act, 2000 The objective of Designs Act it to promote and protect the design element of industrial production. It is also intended to promote innovative activity in the field of industries. The Controller General of Patents, Designs and Trade Marks appointed under the Trademarks Act shall be the Controller of Designs for the purposes of the Designs Act. When a design is registered, the proprietor of the design has copyright in the design during ten years from the date of registration.

**OTHER LAWS****Shops and establishments laws in various states:**

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

**Municipality Laws:**

Pursuant to the Seventy Fourth Amendment Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non compliance.

**Police Laws:**

The State Legislatures in India are empowered to enact laws in relation to public order and police under Entries 1 and 2 of the State List (List II) to the Constitution of India. Pursuant to the same the respective States of India have enacted laws regulating the same including registering eating houses and obtaining a 'no objection certificate' for operating such eating houses with the police station located in that particular area, along with prescribing penalties for non compliance.

**Approvals from Local Authorities:**

Setting up of a Factory or Manufacturing/Housing unit entails the requisite Planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents from the state Pollution Control Board(s), the relevant state Electricity Board(s), the State Excise Authorities, Sales Tax, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### History and background

Our Company was incorporated on January 30, 2009, as "*Greens Processed Herbs Private Limited*" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Bangalore bearing Registration Number 049012. We subsequently changed the name of our Company from "*Greens Processed Herbs Private Limited*" to "*Greens Food Crafts India Private Limited*" pursuant to shareholders resolutions passed at the Extra Ordinary General Meeting held on April 29, 2013. A fresh Certificate of Incorporation consequent upon name change was granted to our Company on May 15, 2013 by the Registrar of Companies, Bangalore. Subsequently, our Company was converted into public limited company pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on April 06, 2019 and the name of our Company was changed to "*Greens Food Crafts India Limited*" vide a fresh Certificate of Incorporation dated April 29, 2019 issued by the Registrar of Companies, Bangalore. For further details, please refer to the section titled "History and Certain Corporate Matters" on page no. 108 of this Draft Prospectus.

For a description of our activities, operational competition, management, etc., see "*Our Business*", "*Our Industry*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 80, 72 and 158 respectively.

### Changes in registered office of our Company since incorporation

The Registered Office of the Company is situated at 325/1, 14<sup>th</sup> Main 5<sup>th</sup> Cross Sadashivnagar, Bangalore-560080, Karnataka, India. The Registered Office of our Company has not changed since its incorporation.

### Major events and milestones of our company

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

Year	Key Milestones
2009	Incorporation and start of export Operations
2011	Best District Exporter Award from Federation of Karnataka Chambers of Commerce and Industry.
2012	Started Indian HoReCa Operations
2014	Best Manufacturing Exporter Award from Federation of Karnataka Chambers of Commerce and Industry.
2015	Export Excellence award (District Exporter) from Federation of Karnataka Chambers of Commerce and Industry
2015	State Export Excellence Award from Government of Karnataka
2016	Best District Exporter Award from Federation of Karnataka Chambers of Commerce and Industry
2017	District Exporter Award from Federation of Karnataka Chambers of Commerce and Industry
2018	Consolidation of all group companies in to one company
2019	Conversion from Private Limited to Limited

### Time and Cost Overrun in setting-up of projects including the proposed project

Our Company has not experienced any time or cost overrun in relation to setting up of projects.

### Key awards, accreditations or recognition

We have achieved following awards and recognition:

1. Best District Exporter Award from Federation of Karnataka Chambers of Commerce and Industry.
2. Best Manufacturing Exporter Award from Federation of Karnataka Chambers of Commerce and Industry.
3. Export Excellence award (District Exporter) from Federation of Karnataka Chambers of Commerce and Industry
4. State Export Excellence Award from Government of Karnataka
5. Best District Exporter Award from Federation of Karnataka Chambers of Commerce and Industry
6. District Exporter Award from Federation of Karnataka Chambers of Commerce and Industry

### Defaults or rescheduling of borrowings with financial institutions/ banks, conversion of loans into equity along with reasons thereof

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

- a. **Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets etc., if any, in the last ten years.**

Except stated below, there has been no material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets etc., if any, in the last ten years prior to the date of filing of this Draft Prospectus.

- 1) As on April 11, 2018, the Company Acquired the 100% business of the Group entities via Business transfer Agreement, as mentioned Below:
- Greens Nature’s Fresh Farms Private Limited
  - Greens Natures Fresh Produce Private Limited
  - Malnad Plantation (Partnership Firm)
  - Mamatha Speciality Foods Private Limited

**1. MAIN OBJECTS AS SET OUT IN THE MEMORANDUM OF ASSOCIATION OF THE ISSUER AND DATES ON WHICH THE MEMORANDUM OF ASSOCIATION OF THE ISSUER HAS BEEN AMENDED.**

**Main Objects under the Memorandum of Association**

The main objects as set forth in the Memorandum of Association of our Company are as follows:

1. *“To carry on the business of sewing, growing, producing, processing, developing, promoting, exhibiting, distributing, exporting, selling, and or dealing in herbs*
2. *To carry on the business of producing, buying, selling and exporting herbs and agro based products.*
3. *To undertake, manage, and otherwise engage in the business of herbs and or agro based item’s business.*
4. *To carry on the business of manufacturers and to refinement, processing, preservation, dehydration, canning, bottling, pickling, freezing, packing and repacking of vegetables, culinary herbs, fruits, cereal products, squashes, soup, syrups, juice and ice concentrates, nectars, jelly pulp, purees beans, cocktail, ketchups, jams and murabbas, pickles, sauce, slices, marmalade health foods and drink milk, milk powder, cream butter, cheese, condensed milk and baby foods. aerated, non-aerated minerals and artificial water drinks, ghee, fats, snacks, fast food, cooked or boiled or fried foods, sweet, meats and namkeens, honey, custard and provision of all kinds and every descriptions and to carry on the business of export, import, brokers, commission agents and dealers of food products of all kinds.*

**Amendments to our Memorandum of association**

<b>Date of Resolution/ Change</b>	<b>Particulars of change</b>
March 26, 2013	Amendment of Main Object Clause of Memorandum of Association (MOA) and Change of Name of the Company.
March 21, 2018	The authorized shares capital of ₹ 10,00,000 divided into 1,00,000 equity shares of ₹ 10 each was increased to ₹ 35,00,000 divided into 3,50,000 equity shares of ₹ 10 each.
April 06, 2019	Change of name of the Company from Green Food Crafts Private Limited to Green Food Crafts Limited consequent upon conversion from Private Company to Public Company.
June 04, 2019	The authorized shares capital of ₹ 35,00,000 divided into 3,50,000 equity shares of ₹ 10 each. was increased to ₹ 14,00,00,000 divided into 1,40,00,000 equity shares of ₹ 10 each.

**2. DETAILS OF SUBSIDIARIES AND HOLDING COMPANIES**

Our Company does not have any Subsidiary and nor it has any Holding Company/ies.

**Other Details Regarding our Company**

For information on our activities, services, growth, technology, marketing strategy, capacity built-up, our standing with reference to our prominent competitors and customers, please refer to sections titled “*Our Business*”, “*Our Industry*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on pages 80, 72 and 158 respectively of this Draft Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled “*Our Management*” and “*Capital Structure*” beginning on pages 111 and 43 respectively of this Draft Prospectus.

**Raising of capital in form of equity or debt**

Except as set out in the section titled “*Capital Structure*” beginning on page 43 of this Draft Prospectus, our Company has not raised capital in the form of Equity Shares. Further, our Company has not undertaken any public offering of debt instruments since its incorporation.

**Details regarding the changes in the activities of the Issuer during the last five years which may have had a material effect on the profits/loss, including discontinuance of lines of business, loss of agencies or markets and similar factors.**

There has been no change in the activities of our Company during the period of 5 (five) years prior to the date of filing of this Draft Prospectus which may have had a material effect on the profits or loss of our Company or affected our business including discontinuance of lines of business, loss of agencies or markets and similar factors.

**Injunction or restraining order**

Our Company is not operating under any injunction or restraining order.

**Shareholders of our Company**

As on the date of this Draft Prospectus, our Company has Seven (7) shareholders. For further details in relation to the current shareholding pattern, please refer to section titled “*Capital Structure*” beginning on page 43 of this Draft Prospectus.

**Strikes or Labour Unrest**

There have been no lock-outs or strikes in our Company since incorporation.

**Shareholders Agreements**

Our Company has not entered into any shareholder’s agreement as on the date of this Draft Prospectus.

**Material Agreements**

Our Company has not entered into any material agreement, other than the agreements entered by it in ordinary course of its business.

**Strategic Partners**

Our Company does not have any strategic partners as on the date of this Draft Prospectus.

**Financial Partners**

Our Company does not have any financial partners as on the date of this Draft Prospectus.

**Shareholders’ Agreements and Other Agreement**

Our Company has not entered into any shareholder’s agreement as on the date of this Draft Prospectus.



## OUR MANAGEMENT

### BOARD OF DIRECTORS

As per the Articles of Association, our Company is required to have not less than three (3) Directors and not more than Fifteen (15) Directors. Our Company currently has Six (6) Directors on Board out of which 2 (two) are Independent Directors and one is Woman Director. The composition of the Board of Directors is governed by the provisions of the Companies Act, 2013. The following table sets forth current details regarding our Board of Directors:

Sl. No.	Name, Designation, Address, Occupation, Nationality, Term & DIN	Age (in years)	Other Directorships as on the date of this Draft Prospectus
1.	<p>Mr. Jagadeesh Bommegowda</p> <p>Father Name: Bommegowda Kachunahalli</p> <p>DIN: 08293531</p> <p>Date of Appointment: December 03, 2018</p> <p>Occupation: Business</p> <p>Designation: Executive Director</p> <p>Address: #62 80' Feet Road, Mavallipura, Yelahanka, Bengaluru- 560089 Karnataka, India</p> <p>Nationality: Indian</p> <p>Term: Liable to retirement by rotation</p>	60	<p><b>Private Companies</b></p> <p>Mamatha Speciality Foods Private Limited</p> <p>Greens Natures Fresh Produce Private Limited</p> <p>Greens Nature's Fresh Farms Private Limited</p> <p><b>Public Companies</b></p> <p>Nil</p>
2.	<p>Mr. Satish Madhavanarayanan</p> <p>Father Name: Madhavanarayanan S. R.</p> <p>DIN: 07552104</p> <p>Date of Appointment: July 02, 2018</p> <p>Occupation: Business</p> <p>Designation: Managing Director &amp; CFO</p> <p>Address: # 700, 11th Main Road, 5th block Jayanagar, Bengaluru -560041, Karnataka, India</p> <p>Nationality: Indian</p> <p>Term: 5 years with effect from May 25, 2019</p>	47	<p><b>Private Companies</b></p> <p>Gudibande Integrators Private Limited</p> <p><b>Public Company</b></p> <p>Nil</p>
3.	<p>Mr. Anil Chennalinge Gowda</p> <p>DIN: 05208453</p> <p>Date of Appointment: January 11, 2019</p> <p>Occupation: Business</p> <p>Designation: Non-Executive Director</p> <p>Address: #539, 12<sup>th</sup> Cross RMV II Bengaluru 560094 Karnataka India</p> <p>Nationality: Indian</p>	32	<p><b>Private Companies</b></p> <p>Pods Biotech Private Limited.</p> <p>Pods Biotech (India) Private Limited.</p> <p>Mamatha Speciality Foods Private Limited.</p> <p>Malnad Organics Private Limited.</p> <p>Greens Nature's Fresh Farms Private Limited.</p> <p>Greens Natures Fresh Produce Private Limited.</p> <p>Mysore Livestock &amp; Breeding Company Private Limited.</p> <p>Malnad Greentech Private Limited.</p> <p>Taaza Tarkari Agro Private Limited.</p>

Sl. No.	Name, Designation, Address, Occupation, Nationality, Term & DIN	Age (in years)	Other Directorships as on the date of this Draft Prospectus
	Term: Liable to retire by rotation		Hoysala Speciality Foods India Private Limited.  <b>Public Companies</b> Nil
4.	Mrs. Meenakshi Gundlupet Venkatappa DIN: 08304644 Date of Appointment: December 14, 2018 Occupation: Business Designation: Non-Executive Director Address: Chandravalli Estate, Bidare Village, Sangameswarapet, Chickmagalore - 577146 Nationality: Indian Term: Liable to retire by rotation	78	<b>Private Company</b> Pods Biotech Private Limited Pods Biotech (India) Private Limited Malnad Organics Private Limited Greens Nature's Fresh Farms Private Limited Mysore Livestock & Breeding Company Private Limited Malnad Greentech Private Limited Gudibande Integrators Private Limited Mamatha Speciality Foods Private Limited Greens Natures Fresh Produce Private Limited  <b>Public Companies</b> Nil
5.	Mrs. Prathima Gowda Kudige Gurappa DIN: 08303477 Date of Appointment: 14/12/2018 Occupation: Self Employed Designation: Non-Executive Independent Director Address: Biraveshwar Gudda Estate, Yalagudige, Chickamagalur, Aldur, Chickamagalur-577111 Karnataka, India Nationality: Indian Term: 5 years with effect from 14 <sup>th</sup> Dec, 2018	68	<b>Private Company</b> Nil <b>Public Company</b> Nil
6.	Ms. Krithi Raj DIN: 06644108 Date of Appointment: 12/02/2019 Occupation: Professional Designation: Non-Executive Independent Director Address: G1-Sai Leela Palace, Opp Bangalore City College, Chillakere, Bangalore North-43 Nationality: Indian Term: 5 Years with effect from 12 <sup>th</sup> Feb, 2019	50	<b>Private Companies</b> Nil  <b>Public Company</b> Nil

Note:

As on the date of this Draft Prospectus:

1. None of the above mentioned Directors are on the RBI List of wilful defaulters as on date.
2. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing this Prospectus or (b) delisted from the stock exchanges.
3. None of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

#### **Brief Biographies of our Directors**

**Mr. Satish Madhavanaryanan**, aged about 47 years, is the Promoter and Managing Director of our Company. He holds a Master's degree in Business Administration Personnel from Newport University, US. He has more than 22 years of experience in the field of Human Resource Management. He was a member of Management Committee to implement strategic restructuring of HR initiatives to bring in more efficiency and transparency in operations. He handles large teams engaged in day to day operations and management.

**Mr. Anil. Chennalinge Godwa** aged about 32 years is one of the Promoter and Non-Executive Directors of our company. He holds the degree of Masters in Computer Application from Bangalore University. He has extensive experience as an MIS analyst. He has been key to implement standards and developing MIS system for smooth operations, customer management and internal communication. He has set processes to analyse business information to identify process improvements for increasing the business efficiency and effectiveness.

**Mr. Jagadeesh. B.** aged about 60 years, is the Executive Director of our Company. He holds a Bachelor of Arts degree from Bangalore University, Karnataka. He has an extensive experience of 30 years in agriculture and plantations growing coffee, pepper and areca. He has also experience in production & crop planning, labour management, methods of composting and enriching soil, budget preparation and on field operations. Also has experience in Spices trading, forecasting.

**Mrs. Meenakshi Gundlupet Venkatappa**, aged about 78 years, is the Non-Executive Director of our Company. She holds the degree in Arts from Bangalore University, Karnataka. She has developed and managed residential and commercial properties for lease and rent for the family trust. Has actively invested in agricultural lands consisting of large plantation holdings of upto 500 acres.

**Mrs. Prathima Gowda Kudige Gurappa** aged about 68 years is the Non-Executive Independent director of our company. She is a Science Graduate from Bangalore University. She is having experience of over 35 years in the area floriculture and horticulture. Her strengths have been her ability to grow and foster relations between small growers and networking with markets for sales. She has a strong commitment to and background in sustainable agriculture, value chain, organic farming, safe horticultural crop production, marketing and developmental activities for small growers. A devotee and follower of the Sharada Mutt and also extensively involved in developing arts and extracurricular activities for children of the local government schools.

**Ms. Krithi Raj** aged about 50 years is a Non-Executive Independent director of our company. She is commerce Graduate from Calcutta University. Over 13 years of professional experience and 8+ years of entrepreneurial experience in Operations in the IT, eCRM industries with highly reputed organizations like Dell, ICICI One Source, Hutchison Max Telecom, Orange County, Sterling Yellow pages and Getit Yellow Pages. Her strength lies in strategic planning and project management, leading senior team members in trouble shooting and providing technical support.

#### **Confirmations**

There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.

The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.

None of the Directors is or was a director of any listed company during the last five years preceding the date of filing of this Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in any such Company

None of Promoters or Directors of our Company are a fugitive economic offender.

None of the above mentioned Directors are on the RBI List of willful defaulters.

None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.

None of the Directors is or was a director of any listed company which has been or was delisted from any recognized stock exchange in India during the term of their directorship in such Company.

#### **Nature of Family Relationship among Directors**

None of directors are related to each other as per section 2(77) of the Companies Act, 2013:

#### **Borrowing Powers of the Directors**

In accordance with the Articles of Association and pursuant to the EGM of our Company held on 04<sup>th</sup> June 2019, the Board is authorised to borrow money, mortgage, hypothecate and/or charge all of our Company's immovable and movable properties, present and future, in such sum form or manner as the Board may think fit for securing loans already obtained or that may be obtained from our Company's banker or any other banks, financial institution or any other lending institutions or persons, provided that the total amount of money or monies so borrowed (apart from temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business), by our Company shall not, at any time, exceed the Rs. 50.00 Crores.

#### **Agreement with Directors**

There is no definitive and /or service agreement that has been entered into between our Company and the directors in relation to their appointment.

#### **Non-Executive Directors**

Currently, non-executive Directors are not being paid any remuneration and sitting fees. We also confirm that no remuneration and sitting fees being paid to Independent Directors

#### **Shareholding of Directors in our Company**

Other than the following, none of our Directors holds any Equity Shares as of the date of filing this Draft Prospectus:

Name of Director	Number of Equity Shares held	Percentage of pre-Issue capital(%)
Mr. Satish Madhavanarayanan	1,55,000	1.16
Mr. Anil Chennalinge Gowda	31	0.00

Our Articles of Association do not require our Directors to hold any qualification shares.

#### **Changes in our Board of Directors during the last three (3) years**

The changes in the Directors during last three (3) years are as follows:

Name	Date of appointment/change /cessation	Reason
Mr. Anil Chennalinge Gowda	October 03, 2017	Resignation as director
Mrs. Ramya G C	December 04, 2018	Resignation as a director
Mr. Satish Madhavanarayanan	July 02, 2018	Appointment as a director
Mr. Satish Madhavanarayanan	May 25, 2019	Designation changed to Managing Director & CFO.
Mr. Jagadeesh Bommegowda	December 03, 2018	Appointment as a director
Mrs. Prathima Gowda Kudige Gurappa	December 14, 2018	Appointment as an independent Director
Mrs. Meenakshi Gundlupet Venkatappa	December 14, 2018	Appointment as a director

Ms. Krithi Raj	December 12, 2018	Appointment as an independent director
Mr. Anil Chennalinge Gowda	January 11 2019	Re-appointment as director

### Interest of Directors

Our Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our Directors, please refer “*Remuneration to our Directors*” above.

Our Directors may also be regarded as interested to the extent of Equity Shares held by them in our Company, if any, details of which have been disclosed above under the heading “*Shareholding of Directors in our Company*”. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Issue.

All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firms in which they are partners as declared in their respective declarations or proprietor of any business declared by them.

Except as stated in the chapter titled “*Related Party Transactions*” on page 154 of this Draft Prospectus, our Directors do not have any other interest in the business of our Company.

Our Directors are not interested in the appointment of or acting as Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

### Bonus or Profit Sharing Plan for our Directors

None of our Directors are a party to any bonus or profit sharing plan.

### Corporate Governance

The provisions of the Listing Agreement to be entered into with the Stock Exchange and the applicable regulations of SEBI Listing Regulations with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. The provisions of the Companies Act pertaining to the composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committees will be applicable to our Company on listing on SME platform of BSE and our Company is, to the extent applicable, in compliance with such provisions.

We believe we are in compliance with the requirements of the applicable regulations, including the Listing Agreement with the Stock Exchange, the SEBI Listing Regulations and the SEBI ICDR Regulations, in respect of corporate governance including constitution of the Board and committees thereof.

The corporate governance framework is based on an effective independent board, separation of the Board’s supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board of Directors is constituted in compliance with the Companies Act, Listing Agreement to be executed with Stock Exchange, the SEBI Listing Regulations and in accordance with best practices in corporate governance, our Board of Directors functions either as a full board or through management which provides our Board of Directors detailed reports on its performance periodically.

Currently, our Company has 6 (six) Directors on the Board out of which 2 (two) are Independent Directors and one is Woman Director.

### Committees of our Board

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

- a) Audit Committee;
- b) Nomination and Remuneration Committee;

- c) Stakeholders' Relationship Committee;
- d) Corporate Social Responsibility Committee, Details of each of these committees are as follows:

**a. Audit Committee;**

*As per section 135 (1) of the Companies Act, 2013, The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed, shall constitute an Audit Committee. The Audit Committee shall consist of a minimum of three directors with independent directors forming a majority: Provided that majority of members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement.*

Our Audit Committee was constituted pursuant to resolution of our Board dated 25<sup>th</sup> May 2019. The Audit Committee comprises of the following:

S. No.	Name of the Director	Status	Nature of Directorship
1.	Ms. Krithi Raj	Chairman	Non-Executive & Independent Director
2.	Mr. Satish Madhavanarayanan	Member	Managing Director
3.	Mrs. Prathima Gowda Kudige Gurappa	Member	Non-Executive & Independent Director

The Company Secretary shall act as the secretary of the Audit Committee.

The scope, functions and the terms of reference of the Audit Committee is in accordance with the Section 177 of the Companies Act, 2013 and Regulation 18 (3) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part C.

The role of the audit committee shall include the following:

- (1) 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;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control

systems;

- (13) 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;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) 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;
- (16) 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;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee;

The audit committee shall mandatorily review the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (4) internal audit reports relating to internal control weaknesses; and
- (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (6) statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1). (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7)

#### **b. Nomination and Remuneration Committee**

*As per section 178 (1) of the Companies Act, 2013, The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed shall constitute the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors: Provided that the chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.*

The Nomination and Remuneration committee was constituted by a resolution of our Board dated 25<sup>th</sup> May 2019. The constitution of the Nomination and Remuneration committee is as follows:

S. No.	Name of the Director	Status	Nature of Directorship
1.	Ms. Krithi Raj	Chairman	Non-Executive & Independent Director
2.	Mrs. Prathima Gowda Kudige Gurappa	Member	Non-Executive & Independent Director
3.	Mrs. Meenakshi Gundlupet Venkatappa	Member	Non-Executive Director

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

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of Nomination and Remuneration Committee shall include the following:

- (1) 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;

- (2) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) Devising a policy on diversity of board of directors;
- (4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) 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

**c. Stakeholders' Relationship Committee**

*As per section 178 (5) of the Companies Act, 2013, The Board of Directors of a company which consists of more than one thousand shareholders, debenture-holders, deposit-holders and any other security holders at any time during a financial year shall constitute a Stakeholders Relationship Committee consisting of a chairperson who shall be a non-executive director and such other members as may be decided by the Board*

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated 25<sup>th</sup> May 2019. The constitution of the Stakeholders' Relationship committee is as follows:

S. No.	Name of the Director	Status	Nature of Directorship
1.	Mr. Kirthi Raj	Chairman	Non-Executive Independent Director
2.	Mr. Satish Madhavanarayanan	Member	Managing Director
3.	Mr. Anil Chennalinge Gowda	Member	Non-Executive Director
4.	Mrs. Prathima Gowda Kudige Gurappa	Member	Non-Executive Independent Director

The Company Secretary shall act as the secretary of the Stakeholders' Relationship Committee.

This Committee is responsible for the redressal of the grievances of the security holders including complaints relate to transfer of shares, non-receipt of annual report and non-receipt of dividend. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act read with Regulation 20 of the Listing Regulations.

Our Company has adopted the following policies:

1. Code of Internal Procedures and Conduct for regulating, Monitoring and reporting of Trading by Insider.
2. Criteria for making payment to non-executive director
3. Archival Policy
4. Determination of Material events
5. Policy for Preservation of Documents & Archival of Documents
6. Policy for appointment of Independent directors

**d. Corporate Social Responsibility Committee:**

*As per section 135 (1) of the Companies Act, 2013, Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.*

The Board of Directors of our Company has, in pursuance to provisions of Section 135 of the Companies Act, 2013, in its Meeting held on 25<sup>th</sup> May 2019 constituted Corporate Social Responsibility Committee.

The constitution of the Corporate Social Responsibility Committee is as follows:

S. No.	Name of the Director	Status	Nature of Directorship
1.	Mrs. Prathima Gowda Kudige Gurappa	Chairman	Non-Executive Independent Director
2.	Mr. Kirthi Raj	Member	Non-Executive Independent Director
3.	Mr. Anil Chennalinge Gowda	Member	Executive Director



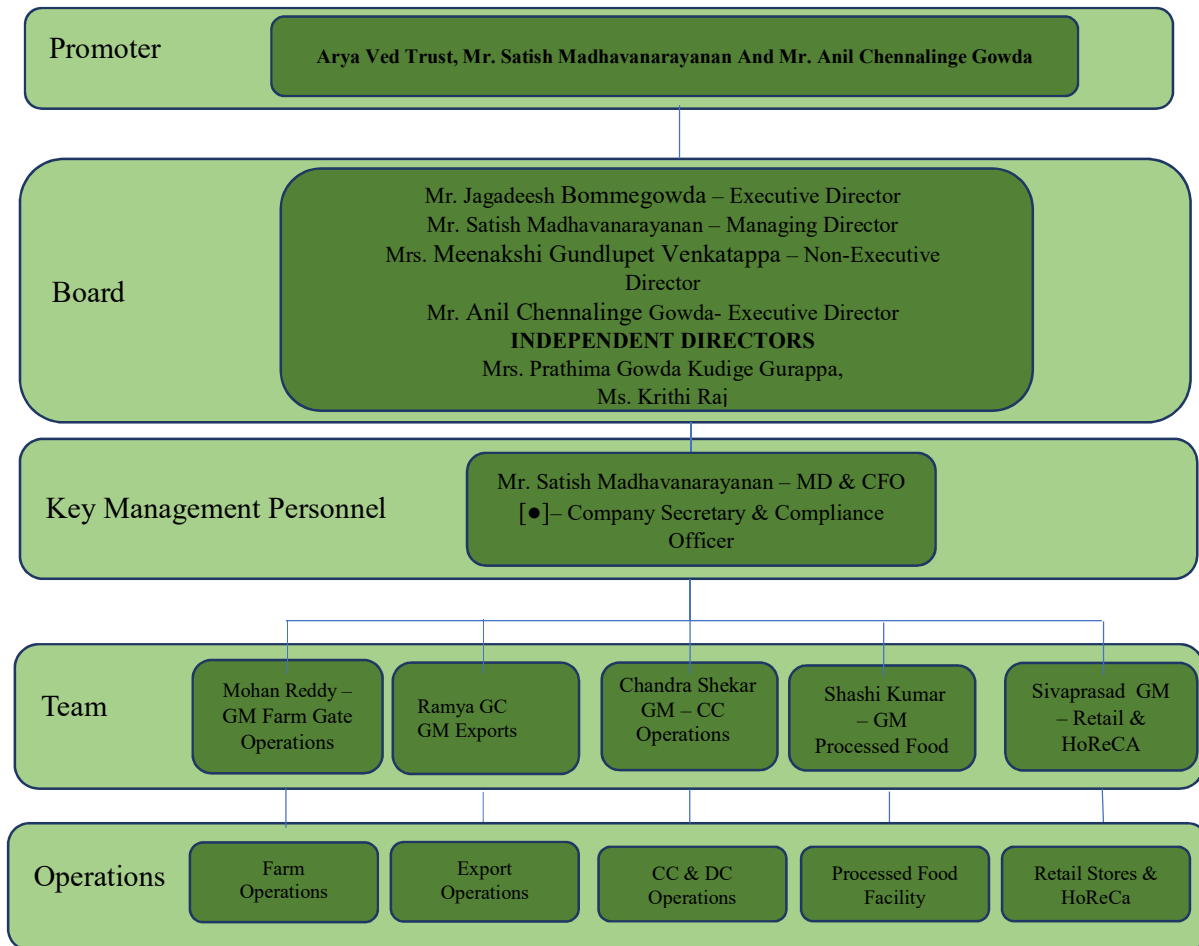
**Terms of Reference**

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- To monitor the Corporate Social Responsibility Policy of the Company
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

**Management Organizational Structure**

The following chart depicts our Management Organization Structure:

**Management Structure**



### **Our Key Managerial Personnel**

Our Company is managed by its Board of Directors, assisted by qualified professionals, in the respective field of administration / finance / distribution / marketing and corporate laws.

In addition to our Managing Director, Mr. Satish Madhavanarayanan, following key personnel assist the management of our Company:

Mr. Satish Madhavanarayanan, Chief Financial Officer and

[●], Company Secretary and Compliance Officer

For details of our Managing Director please refer chapter “Our Management” on page 111 of this Draft Prospectus.

#### **Brief Profile of Key Managerial Personnel:**

The details of the Key Managerial Personnel as on the date of this Draft Prospectus are set out below. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

**Mr. Satish Madhavanarayanan**, aged about 47 years, is the Promoter and Managing Director of our Company. He holds a Master’s degree in Business Administration Personnel from Newport University, US. He has more than 22 years of experience in the field of Human Resource Management. He was a member of Management Committee to implement strategic restructuring of HR initiatives to bring in more efficiency and transparency in operations. He handles large teams engaged in day to day operations and management.

#### **Status of Key Managerial Personnel**

All our Key managerial personnel are permanent employees of our Company.

#### **Family Relationship between Key Managerial Personnel**

As on date, none of the key managerial personnel is having family relation with each other.

#### **Arrangements and Understanding with major Shareholders**

None of our key managerial personnel have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

#### **Shareholding of the Key Managerial Personnel**

Except Mr. Satish Madhavanarayanan, Promoter and Managing Director of the Company holding 1,55,000 Equity Shares, as on date, none of the key managerial persons are holding Equity Shares of our Company.

#### **Bonus or Profit Sharing Plan for the Key Managerial Personnel**

There is no profit sharing plan for the key managerial personnel. Our Company makes bonus payments to the employees based on their performances, which is as per their terms of appointment.

#### **Loans to Key Managerial Personnel**

There is no loan outstanding against key managerial personnel as on date of this Draft Prospectus.

#### **Interest of Key Managerial Personnel**

None of the key managerial personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any.

None of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

#### **Changes in Key Managerial Personnel of our Company during the Last Three (3) Years**

The changes in the key managerial personnel of our Company during the last three (3) years.

Name	Date of appointment/ change/cessation	Reason
Mr. Satish Madhavanarayanan	25/05/2019	Appointment as a Chief Financial Officer and Managing Director
[•]		Appointment as a Company Secretary and Compliance Officer

#### Employees Stock Option Scheme

Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Scheme as on the date of filing of this Draft Prospectus.

#### Payment or Benefit to our Officers

Except for the payment of normal remuneration for the services rendered in their capacity as employees of our Company, no other amount or benefit has been paid or given within the two (2) preceding years or intended to be paid or given to any of them.

#### Non-salary related payment or benefits to our Key Managerial Personnel

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, none of the Key Managerial Personnel of our Company, including our Directors, is entitled to any benefits upon termination of employment under any service contract entered into with our Company. Except as stated otherwise in this Draft Prospectus and any statutory payments made by our Company, no amount or benefit has been paid or given, in the two years preceding the date of this Draft Prospectus, or is intended to be paid or given to any of our Company's officers except remuneration for services rendered as Directors, Key Managerial Personnel or employees of our Company.

#### Contingent or Deferred Compensation of Key Managerial Personnel

None of our Key Managerial Personnel have received or are entitled to any contingent or deferred compensation.

#### Remuneration paid to our Key Managerial Personnel during previous financial year

Remuneration paid to our Key Managerial Personnel during financial year 2017-18 is NIL and No benefits in kind have been granted to our Key Managerial Personnel during previous financial year

## OUR PROMOTERS AND PROMOTER GROUP


The Promoters of our Company are:

1. Arya Ved Trust (Trustee Mr. Jagadeesh Bommegowda & Mrs Meenakshi Gundlupet Venkatappa)
2. Mr. Satish Madhavanarayanan
3. Mr. Anil Chennalinge Gowda


### 1. Arya Ved Trust

Arya Ved Trust	<p><b>Arya Veda Trust</b> (the “Trust”) was established on 1<sup>st</sup> April 2017, whereby Mr. Ramesh B Gowda and Ms Ramya G C settled certain properties and cash for the benefit of Mr. Ved R &amp; Mr. Arya R (Sons of Mr. Ramesh B Gowda), (the “Beneficiaries”). The Property endowed included Cash (Rs. 100,000), 99,999 shares of the Company, 89100 shares of respectively Green Nature Fresh Produce Pvt. Ltd. and Greens Nature Fresh Farms Pvt. Ltd each and 99.99% interest in a partnership – Malnad Plantation.</p> <p>Mr. Jagadish B Gowda and Mr. Sudhir S Kittur were the initial Trustee at the time of establishment of the Trust. Mr. Jagadish B Gowda was appointed as the Management Trustee and Mr. Sudhir S Kittur was appointed as the Secretary and Treasurer of the Trust. However, on 16<sup>th</sup> May 2019, Mr. Sudhir S Kittur was replaced by Ms Meenakshi Gundlupet Venkatappa, who was appointed by the Trustees in view of resignation by Mr. Kittur due to his personal pre-occupation.</p> <p>The Trust is a discretionary Trust set up for indefinite period or as may be decided by the Trustees. Further the Trustees have absolute power over the Trust Property in a fiduciary capacity to manage, apply, use and distribute the property for the benefit of the Beneficiaries</p>
Registered Address	Byreshwaragudda Estate, Post Box No. 9, Aldur Post, Chikkamagalur Taluk-577111, Karnataka, India.
PAN	AAHTA0325M
Date of Incorporation	01/04/2017

### 2. Mr. Satish Madhavanarayanan

	<p><b>Mr. Satish Madhavanarayanan</b>, aged about 47 years, is the Managing Director and CFO of our Company. He holds a MBA degree From Newport University. He has over two decades of work experience in managing all facets of Human Resource Management in highly competitive and diverse global business scenario.</p>
<b>Address</b>	700, 11 <sup>th</sup> Main Road, 5 <sup>th</sup> Block, Jayanagar, Bangalore-560041, Karnataka, India.
<b>Occupation</b>	Business
<b>Date of Birth</b>	June 09,1971
<b>Nationality</b>	Indian
<b>Permanent Account Number</b>	AAWPM7688N
<b>Aadhar Card Number</b>	805305661776

### 3. Mr. Anil Chennalinge Gowda

	<p>Mr. Anil Chennalinge Gowda, aged about 32 years is one of the Promoter Directors of our company. He holds the degree of Masters in Computer Application from Bangalore University. He has extensive experience as an MIS analyst. He has been key in implementing standards and developing MIS system for smooth operations, customer management and internal communication. He has set processes to analyse business information to identify process improvements for increasing the business efficiency and effectiveness.</p>
<b>Address</b>	539, 12 <sup>th</sup> Cross, RMV II Stage, Bangalore - 5600890, Karnataka, India
<b>Occupation</b>	Business
<b>Date of Birth</b>	June 06, 1986
<b>Nationality</b>	Indian
<b>Permanent Account Number</b>	AUUPG2107N
<b>Passport Number</b>	L9890024

#### Declaration

We declare and confirm that the details of the permanent account numbers, bank account numbers and passport numbers of our individuals Promoters will be submitted to the Stock Exchange on which the specified securities are proposed to be listed with the Stock Exchange.

#### Common Pursuits of our Promoters

Except as mentioned in chapter titled “**Group Entities of our Company**” beginning on page 127, our Promoters have not promoted any Group Companies/Entities which are engaged in the line of business similar to our Company as on the date of this Prospectus. For more details please refer Section titled “Our Promoters and Promoter Group” & “Group Entities of our Company” on page 122 & 127 of this Draft Prospectus respectively. We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

#### Interest of the Promoters

Our promoters are interested in our Company to the extent that they have promoted the Company, to the extent of their shareholding, for which they are entitled to receive the dividend declared, and other distribution in respect of Equity Shares if any, by our Company. Our promoters have rent income arising from the Company on the property provided on lease basis to the Company. For details on shareholding of our Promoter in our Company, please refer sections “**Capital Structure**” and “**Our Management**” on pages 43 and 111 respectively of this Draft Prospectus.

Further, our Promoters who are also our Directors may be deemed to be interested to the extent of fees, remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act, terms of the Articles and their terms of appointment.

Except as stated herein and as stated in “**Annexure 31 of Related Party Transactions**” appearing under section titled “**Financial Information**” of the Company beginning on page 154 of this Draft Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

#### Interest in promotion of our Company

Our Promoter is interested in our Company to the extent he has promoted our Company.

#### Interest in the property of Our Company

Our Promoter does not have any interest in any property acquired by our Company within three years preceding the date of filing this Draft Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts,

agreements or arrangements except as stated in “**Financial Statements as Restated**” on page 133 of this Draft Prospectus.

#### **Interest in the business of our Company**

Except as disclosed in the chapter titled “**Our Management**” and “**Related Party Transaction**” beginning on page 111 and 154, respectively of this Draft Prospectus and except to the extent of business transaction entered into or proposed to be entered into by our Company with our Promoter or any firm, LLP, company or body corporate with which he is associated as promoter, director, partner or member, Our Promoters is not interested in the business of our Company.

#### **Interest of Promoter in our Company other than as Promoter**

Other than as Promoters, our Promoter may be deemed to be interested in our Company to the extent of their shareholding and directorship in our Company and the dividend and other benefits paid or payable by our Company. For details kindly refer chapters titled “**Our Management**” and “**Capital Structure**” beginning on pages 111 and 43 respectively of this Draft Prospectus.

Except as mentioned in this chapter and the chapters titled “**Capital Structure**”, “**Our Business**”, “**History and Corporate Structure**” and “**Related Party Transactions**” on pages 43, 80, 108 and 154 of this Draft Prospectus, respectively, our Promoters does not have any interest in our Company other than as promoter.

#### **Other interest of our Promoter**

Our Promoters may be deemed to be interested in our Company to the extent of compensation paid or payable to him in his capacity as director for attending meetings of the Board or a committee thereof as well as to the extent of remuneration, commission and reimbursement of expenses payable to him as per the terms of appointment and relevant provisions of Companies Act.

Further, our Promoters is the also director and shareholders on the board of our Group Companies and may be deemed to be interested to the extent of the payments made by our Company, if any, to/from these Group Companies. For the payments that are made by our Company to certain Group Companies, kindly refer “**Financial Statements- Annexure 31 - Related Party Transaction**” on page 154 of this Draft Prospectus.

#### **Payment amounts or benefit to our Promoters during the last two years**

No payment has been made or benefit given to our Promoters in the two years preceding the date of this Draft Prospectus except as mentioned / referred to in this chapter and in the section titled “**Our Management**”, “**Financial Information**” and “**Capital Structure**” on page nos. 111, 133 and 43 respectively of this Draft Prospectus. Further as on the date of this Draft Prospectus, there is no bonus or profit sharing plan for our Promoters.

#### **Confirmations**

For details of legal and regulatory proceedings involving our Promoter, please refer to the section titled “**Outstanding Litigation and Material Developments**” on page 166 of this Draft Prospectus. Our Promoters have not been declared a willful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by our Promoters in the past or are pending against them.

#### **Other ventures of our Promoters**

Save and except as disclosed in the section titled “**Our Promoters and Promoter Group**” and “**Group Entities of our Company**” beginning on page 122 and page 127 respectively of this Draft Prospectus, there are no ventures promoted by our Promoters in which they have any business interests/ other interests.

#### **Litigation details pertaining to our Promoters**

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled “**Outstanding Litigations and Material Developments**” on page 166 of this Draft Prospectus.

#### **Shareholding of the Promoters and Promoter Group in our Company**

Except as disclosed in “**Capital Structure**”, none of the members of our Promoter Group hold any Equity Shares as on the date of filing of this Draft Prospectus.

### Related Party Transactions

For the transactions with our Promoter Group entities, please refer to section titled “**Related Party Transactions**” on page 154 of this Draft Prospectus.

Except as stated in “**Related Party Transactions**” on page 154 of this Draft Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

### Companies with which our Promoters have disassociated in the last three years

Except as stated below, none of our Promoters have disassociated themselves from any of the companies, firms or entities during the last three years preceding the date of this Draft Prospectus.

Mr. Anil Chennalinge Gowda has resigned from following companies as director

Name of Company	Date of Resignation
Taaza Tarkari Agro Private Limited	Company struck off

### Change in management and control of the Company

Mr. Ramesh B. and Mr. Ramya G C have been in the management or control of our Company since inception. But then the management or control of our Company has been transferred to the trust.

### OUR PROMOTER GROUP

As per Regulation 2(1)(pp) of the of SEBI ICDR Regulations 2018, the following are the persons/companies/entities which form part of the Promoter & ‘Promoter Group’ :

#### A) The promoter;

Sl. No.	Name of the Promoters
1	Arya Ved Trust (Trustees- Mr. Jagadeesh Bommegowda & Mrs. Meenakshi Gundlupet Venkatappa)
2	Mr. Satish Madhavanarayanan
3	Mr. Anil Chennalinge Gowda

#### B) An immediate relative of the promoter (i.e. any spouse of that person, or any parent, brother, sister or child of the person or of the spouse);

- i) **Arya Ved Trust (Trustees: Mr. Jagadeesh Bommegowda & Mrs. Meenakshi Gundlupet Venkatappa)**

The following persons shall be the beneficiaries under the trust:

Sr. No	Name of the beneficiaries	Father	Mother
1.	Ved Ramesh Gowda	Mr. Ramesh Gowda	Ramya G C
2.	Arya Ramesh Gowda	Mr. Ramesh Gowda	Ramya G C

Name of our Promoter	Name of the Relatives	Relationship with the Relative
Arya Ved Trust (Trustees: Mr. Jagadeesh Bommegowda)	Mr. Bomme Gowda	Father
	Mrs. Gowramma G	Mother
	None	Brother
	Suma Shankar	Sister
	Not Married	Daughter
	Not Married	Son
	Not Married	Spouse
	Not Married	Spouse's Father
	Not Married	Spouse's Mother
	Not Married	Spouse's Brother
	Not Married	Spouse's Sister
Arya Ved Trust (Trustees: Mrs. Meenakshi Gundlupet Venkatappa)	G Venkatappa	Father
	Gowru	Mother
	GV Somashekar	Brother
	GV Geetha	Sister
	Shoba	Daughter

	Lokesh	Son
	G Kade Gowda	Spouse
	Mari Gowda	Spouse's Father
	Kamamma	Spouse's Mother
	Hanume Gowda	Spouse's Brother
	NA	Spouse's Sister
Mr. Satish Madhavanarayanan	Madhavnarayan	Father
	Thavamani Devi	Mother
	Saravanan M	Brother
	Charumathi S	Sister
	Diyanjali	Daughter
	Nishant	Son
	Madhu (divorced)	Spouse
	NA	Spouse's Father
	NA	Spouse's Mother
	NA	Spouse's Brother
NA	Spouse's Sister	
Mr. Anil Chennalinge Gowda	Mr. Channa Linge Gowda	Father
	Ms. Late Uma Devi	Mother
	None	Brother
	None	Sister
	Not Married	Daughter
	Not Married	Son
	Not Married	Spouse
	Not Married	Spouse's Father
	Not Married	Spouse's Mother
	Not Married	Spouse's Brother
Not Married	Spouse's Sister	

**C) In case promoter is a body corporate:**

Nature of Relationship	Entity
Subsidiary or holding company of Promoter Company.	NIL
Any Body corporate in which promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the promoter (Body Corporate).	NIL
Anybody corporate in which a group of individuals or companies or combinations thereof acting in concert, which hold 20% or more of the equity share capital in that body corporate and such group of individuals or companies or combinations thereof also holds 20% or more of the equity share capital of the issuer and are also acting in concert.	NIL

**D) In case the promoter is an individual/Trust/Partnership Firm:**

Nature of Relationship	Entity
Any Body Corporate in which 20% or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relative is a member.	Our Promoter, Arya Ved Trust owns respectively 99%, 99% & 60% of the Equity Shares of the following Body Corporates. 1) Greens Natures Fresh Produce (P) Ltd. 2) Greens Nature's Fresh Farms (P) Ltd. 3) Mamatha Speciality Foods (P) Ltd.
Any Body corporate in which Body Corporate as provided above holds 20% or more of the equity share capital.	Greens Natures Fresh Produce Private Limited, Greens Nature's Fresh Farms Private Limited, Mamatha Speciality Foods Private Limited, Malnad Plantations (Partnership Firm) & Arya Ved Trust holds respectively 25.63%, 23.18%, 0.82%, 17.27% & 31.53% in the Equity Share Capital of our Company (Greens Food Crafts India Ltd)
Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than twenty percent.	Our Promoter, Arya Ved Trust holds 99.99% Partnership Interest in Malnad Plantations



Others	Malnad Plantations (Partnership Firm) holds 17.27% in the Equity Share Capital of our Company (Greens Food Crafts India Ltd)
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**E) All persons whose shareholding is aggregated under the heading "shareholding of the promoter group":**

Sl. No.	Name of shareholders under promoter group
1	Greens Nature's Fresh Farms Private Limited
2	Greens Natures Fresh Produce Private Limited
3	Mamatha Speciality Foods Private Limited
4	M/s Malnad Pantations, Partnership Firm (Partners- Arya Ved Trust & Mr. Anil C Gowda)

### GROUP ENTITIES OF OUR COMPANY

As per the requirements of SEBI ICDR Regulations 2(1)(t), for the purpose of identification of 'group companies', our Company considered companies as covered under the applicable accounting standards (i.e. Accounting Standard 18 issued by the Institute of Chartered Accountants of India) on a consolidated basis, Companies/entities with which there were related party transactions, or other companies as considered material by our Board. Pursuant to the policy approved in the meeting of the Board of Directors of the Company held on 25<sup>th</sup> May 2019.

The companies, firms and other ventures, which form part of our Group Entities, are as follows:

Sr. No.	Name of the Group Entities
<b>Companies</b>	
1.	Greens Natures Fresh Produce Private Limited
2.	Greens Nature's Fresh Farms Private Limited
3.	Mamatha Speciality Foods Private Limited
<b>Partnership Firms</b>	
4.	Malnad Plantations (Partners-Arya Ved Trust & Anil C Gowda)

No equity shares of our Group Entities are listed on any stock exchange and they have not made any public or rights issue of securities in the preceding three years.

*The brief details of our Group Companies are provided below:*

#### 1. GREENS NATURES FRESH PRODUCE PRIVATE LIMITED:

<b>Brief Description of Business</b>	The Company inter-alia is mainly into farming and sale of Agricultural products. The Company inter-alia is engaged in farm plantation, processing, logistics and deemed exports of vegetables including exotics and English vegetables and fruits.		
<b>Date of Incorporation</b>	28/05/2009		
<b>CIN</b>	U01403KA2009PTC049962		
<b>Listing details</b>	Unlisted		
<b>PAN</b>	AADCG4938K		
<b>Registered Office Address</b>	325/1, RMV Extension, 5 <sup>th</sup> Cross, 14 <sup>th</sup> Main, Sadashiva Nagar, Bangalore- 560080, Karnataka, India		
<b>Board of Directors</b>	<b>Name</b>	<b>DIN</b>	
	Anil Chennalinge Gowda	05208453	
	Jagadeesh Bommegowda	08293531	
	Meenakshi Gundlupet Venkatappa	08304644	
<b>Audited Financial Information (₹ in Lakhs):</b>			
<b>Particulars</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Paid Up Equity Share Capital</b>	9.00	9.00	9.00
<b>Reserves and Surplus</b>	821.81	670.93	534.09
<b>Net worth</b>	830.81	679.93	543.09
<b>Total Revenue</b>	892.50	677.72	645.46
<b>Profit/(Loss) after tax</b>	150.89	136.84	128.38
<b>Earnings per share (face value of ₹ 10/- each)</b>	167.66	152.04	142.64
<b>Net asset value per share (₹)</b>	923.12	755.48	603.43
<b>Highest Price in past six months</b>	N.A.	N.A.	N.A.
<b>Lowest price in last six months</b>	N.A.	N.A.	N.A.

Shareholding Pattern as on the December 31, 2018 is as follow:

NAME OF SHAREHOLDER	NO OF SHARES	In %
Arya Ved Trust	89100	99%
Chandrasekhar B	900	1%
<b>TOTAL</b>	<b>90000</b>	<b>100.00%</b>

**2. GREENS NATURE'S FRESH FARMS PRIVATE LIMITED:**

<b>Brief Description of Business</b>	The Company inter-alia is mainly into farming, sale of Agricultural products and Exports.		
<b>Date of Incorporation</b>	28/05/2009		
<b>CIN</b>	U01407KA2009PTC049979		
<b>Listing details</b>	Unlisted		
<b>PAN</b>	AADCG4939J		
<b>Registered Office Address</b>	325/1, RMV Extension, 5 <sup>th</sup> Cross, 14 <sup>th</sup> Main, Sadashiva Nagar, Bangalore- 560080, Karnataka, India		
<b>Board of Directors</b>	<b>Name</b>	<b>DIN</b>	
	Anil Chennalinge Gowda	05208453	
	Jagadeesh Bommegowda	08293531	
	Meenakshi Gundlupet Venkatappa	08304644	
<b>Audited Financial Information (₹ in Lakhs):</b>			
<b>Particulars</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Paid Up Equity Share Capital</b>	9.00	9.00	9.00
<b>Reserves and Surplus</b>	745.54	488.29	393.52
<b>Net worth</b>	754.54	497.29	402.52
<b>Total Revenue</b>	790.28	505.24	463.52
<b>Profit/(Loss) after tax</b>	257.24	97.56	91.12
<b>Earnings per share (face value of ₹ 10/- each)</b>	285.82	108.40	101.24
<b>Net asset value per share (₹)</b>	838.38	552.54	447.24
<b>Highest Price in past six months</b>	N.A.	N.A.	N.A.
<b>Lowest price in last six months</b>	N.A.	N.A.	N.A.

Shareholding Pattern as on the December 31, 2018 is as follow:

NAME OF SHAREHOLDER	NO OF SHARES	In %
Arya Ved Trust	89100	99%
Chandrasekhar B	900	1%
<b>TOTAL</b>	<b>90000</b>	<b>100.00%</b>

**3. MAMATHA SPECIALITY FOODS PRIVATE LIMITED:**

<b>Brief Description of Business</b>	The company is mainly into processing and sale of Readymade packaged and processed food products		
<b>Date of Incorporation</b>	03/06/2008		
<b>CIN</b>	U15499KA2008PTC046648		
<b>Listing details</b>	Unlisted		
<b>PAN</b>	AAFCM5756M		
<b>Registered Office Address</b>	325/1, RMV Extension, 5 <sup>th</sup> Cross, 14 <sup>th</sup> Main, Sadashiva Nagar, Bangalore- 560080, Karnataka, India		
<b>Board of Directors</b>	<b>Name</b>	<b>DIN</b>	
	Anil Chennalinge Gowda	05208453	
	Jagadeesh Bommegowda	08293531	
	Meenakshi Gundlupet Venkatappa	08304644	
<b>Audited Financial Information (₹ in Lakhs):</b>			
<b>Particulars</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Paid Up Equity Share Capital</b>	1.00	1.00	1.00
<b>Reserves and Surplus</b>	26.26	17.53	16.54
<b>Net worth</b>	27.26	18.53	17.54
<b>Total Revenue</b>	261.92	185.59	193.18
<b>Profit/(Loss) after tax</b>	8.73	0.98	2.06
<b>Earnings per share (face value of ₹ 10/- each)</b>	87.30	9.80	20.60
<b>Net asset value per share (₹)</b>	272.60	185.30	175.40
<b>Highest Price in past six months</b>	N.A.	N.A.	N.A.
<b>Lowest price in last six months</b>	N.A.	N.A.	N.A.

Shareholding Pattern as on the December 31, 2018 is as follow:

NAME OF SHAREHOLDER	NO OF SHARES	In %
Arya Ved Trust	6000	60%
Mamatha NL	4000	40%
<b>TOTAL</b>	<b>10000</b>	<b>100.00%</b>

#### 4. MALNAD PLANTATIONS:

<b>Brief Description of Business</b>	The partnership firm is mainly into producing, marketing, selling and exporting of coffee & other plantation products and management of coffee estate and plantation land		
<b>Registered Address</b>	325/1, RMV Extension, 5 <sup>th</sup> Cross, 14 <sup>th</sup> Main, Sadashiva Nagar, Bangalore- 560080, Karnataka, India		
<b>Date of Incorporation</b>	01/04/2017		
<b>Constitution</b>	Partnership Firm		
<b>Firm Registration No</b>	CMG-F25-2012-13		
<b>PAN</b>	AAWFM0273D		
<b>Registered Office Address</b>	325/1, RMV Extension, 5 <sup>th</sup> Cross, 14 <sup>th</sup> Main, Sadashiva Nagar, Bangalore- 560080, Karnataka, India		
<b>Name of Partners</b>	<b>Name</b>	<b>Profit Sharing Ratio</b>	
	Arya Ved Trust	99.99%	
	Anil Chennalinge Gowda	0.01%	
<b>Audited Financial Information (₹ in Lakhs):</b>			
<b>Particulars</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Partner's Capital Account</b>	610.18	2541.48	1982.13
<b>Total Revenue</b>	1606.25	1771.80	1602.17
<b>Net Profit Carried to Capital A/c</b>	460.18	532.46	515.36

*Note: However, business of all the above mentioned 4 Companies/Firm has been taken over by the issuer company i.e. Greens Food Crafts India Limited on a slump sale basis and as a going concern with effect from 01<sup>st</sup> Day of April 2018 vide business transfer agreement with respective companies/Firms.*

## RELATED PARTY TRANSACTIONS

For details on related party transactions (As per the requirement under Accounting Standard 18 “Related Party Disclosure” issued by ICAI) of our Company during the restated audit period as mentioned in this prospectus i.e. for the 9 month period ended 31 December 2018, and for the financial year ended 2018, 2017 and 2016, please refer to Section titled, **Financial Information - Note 31 - Related Party Transactions**, beginning on page 154 of this Prospectus.

## **DIVIDEND POLICY**

Our Company does not have any formal dividend policy for the equity shares. Our Company can pay Final dividends upon a recommendation by Board of Directors and approval by majority of the members at the Annual General Meeting subject to the provisions of the Articles of Association and the Companies Act, 2013. The Members of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The Articles of Association of our Company also gives the discretion to Board of Directors to declare and pay interim dividends.

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 which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. The declaration and payment of dividend will depend on a number of factors, including but not limited to the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions, contractual obligations and restrictions, restrictive covenants under the loan and other financing arrangements to finance the various projects of our Company and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares in each of the Financial Years ended on March 31, 2016, 2017, 2018 and for the period ended December 31, 2018 as per our Restated Financial Statements.

**SECTION IX: FINANCIAL INFORMATION****FINANCIAL STATEMENT AS RESTATED****Independent Auditor's Report for the Restated Financial Statements of  
GREENS FOOD CRAFTS INDIA LIMITED**

**The Board of Directors  
GREENS FOOD CRAFTS INDIA LIMITED  
325/1, RMV Extension,  
5<sup>th</sup> Cross, 14<sup>th</sup> Main,  
Sadashiva Nagar,  
Bangalore - 560080  
Karnataka**

Dear Sirs,

1. We have examined the attached Restated Statement of Assets and Liabilities of **GREENS FOOD CRAFTS INDIA LIMITED** (the "Company") as at 31<sup>st</sup> December 2018, 31<sup>st</sup> March 2018, 31<sup>st</sup> March, 2017 and 31<sup>st</sup> March, 2016, the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the Period ended 31<sup>st</sup> December 2018, 31<sup>st</sup> March 2018, 31<sup>st</sup> March, 2017 and 31<sup>st</sup> March 2016 annexed to this report for the purpose of inclusion in the offer document prepared by the Company (collectively the "**Restated Summary Statements**" or "**Restated Financial Statements**"). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the Company in connection with the Initial Public Offering (IPO) in SME Platform of BSE Limited.
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
  - (i) Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules") and
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("**ICDR Regulations**") issued by the Securities and Exchange Board of India ("**SEBI**") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
  - (iii) The terms of reference to our engagements with the Company letter dated 05-12-2018 requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE Limited (BSE SME) ("**IPO**" or "**SME IPO**"); and
  - (iv) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("**Guidance Note 2019**").
3. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the period ended 31<sup>st</sup> December 2018, 31<sup>st</sup> March 2018, 31<sup>st</sup> March, 2017 and 31<sup>st</sup> March, 2016 which has been approved by the Board of Directors.
4. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
  - (i) The "**Statement of Assets and Liabilities as Restated**" as set out in **Annexure 1** to this report, of the Company as at 31<sup>st</sup> December 2018, 31<sup>st</sup> March 2018, 31<sup>st</sup> March, 2017 and 31<sup>st</sup> March, 2016 are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully Described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.
  - (ii) The "**Statement of Profit and Loss as Restated**" as set out in **Annexure 2** to this report, of the Company for the period ended 31<sup>st</sup> December 2018, 31<sup>st</sup> March 2018, 31<sup>st</sup> March, 2017 and 31<sup>st</sup> March, 2016 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company,

- as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.
- (iii) The “**Statement of Cash Flow as Restated**” as set out in **Annexure 3** to this report, of the Company for the period ended 31<sup>st</sup> December 2018, 31<sup>st</sup> March 2018, 31<sup>st</sup> March, 2017 and 31<sup>st</sup> March, 2016 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure 4** to this Report.
5. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:
- Adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any.
  - Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments.
  - There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments except as disclosed in the notes to accounts.
  - As per Accounting Standard - 15 (Employee Benefits) issued by the Institute of Chartered Accountants of India, the company is required to assess its gratuity/leave encashment liability each year on the basis of actuarial valuation and make provision for gratuity liability. However, company has not provided for gratuity expenses in the financial statement and has not taken any actuarial valuation report upto year ending 31<sup>st</sup> March 2017. So to that extent the profit & loss account of the company does not represent true & fair result of the company performance.*
  - These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Annexure 4** to this report.
6. Audit for the period / financial year ended 31<sup>st</sup> December 2018, 31<sup>st</sup> March 2018, 31<sup>st</sup> March, 2017 and 31<sup>st</sup> March, 2016 was conducted by M/s. DINESH BHATKAL & ASSOCIATES (Chartered Accountants) accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them and no routine audit has been carried out by us. Further financial statements for the financial period ended on 31<sup>st</sup> December, 2018 and 31<sup>st</sup> March, 2018 have been re-audited by us as per the relevant guidelines.
7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial period/year ended on 31<sup>st</sup> December 2018, 31<sup>st</sup> March 2018, 31<sup>st</sup> March, 2017 and 31<sup>st</sup> March, 2016 proposed to be included in the Draft Prospectus/Prospectus (“**Offer Document**”).

**Annexure of Restated Financial Statements of the Company:-**

- Significant Accounting Policies and Notes to Accounts as restated in Annexure 4;
- Reconciliation of Restated Profit as appearing in Annexure 5 to this report.
- Details of Share Capital as Restated as appearing in Annexure 6 to this report;
- Details of Reserves & Surplus as Restated as appearing in Annexure 7 to this report;
- Details of Long Term Borrowings as Restated as appearing in Annexure 8 to this report;
- Nature of Security and Terms of Repayment for Long term Liabilities as appearing in Annexure 8.1 to this report;
- Details of Long Term Provisions as Restated as appearing in Annexure 9 to this report;
- Details of Short Term Borrowings as Restated as appearing in Annexure 10 to this report;
- Details of Trade Payables as Restated as appearing in Annexure 11 to this report;
- Details of Other Current Liabilities as Restated as appearing in Annexure 12 to this report;
- Details of Short Term Provision as Restated as appearing in Annexure 13 to this report;
- Details of Fixed Assets as Restated as appearing in Annexure 14 to this report;
- Details of Capital Work In Progress as Restated as appearing in Annexure 15 to this report;
- Details of Deferred Tax Asset (Net) as Restated as appearing in Annexure 16 to this report;
- Details of Inventories as Restated as appearing in Annexure 17 to this report;
- Details of Trade Receivables as Restated enclosed as Annexure 18 to this report;
- Details of Cash and Cash Equivalents as Restated enclosed as Annexure 19 to this report;
- Details of Short Term Loans & Advances as Restated as appearing in Annexure 20 to this report;



19. Details of other Current Assets as Restated as appearing in Annexure 21 to this report;
  20. Details of Revenue from operations as Restated as appearing in Annexure 22 to this report;
  21. Details of Other Income as Restated as appearing in Annexure 23 to this report;
  22. Details of Farming & Other Direct Expenses as Restated as appearing in Annexure 24 to this report;
  23. Details of Changes In Inventories of Stock-In-Trade as Restated as appearing in Annexure 25 to this report;
  24. Details of Employee Benefit Expenses as Restated as appearing in Annexure 26 to this report;
  25. Details of Finance Cost as Restated as appearing in Annexure 27 to this report;
  26. Details of Depreciation and Amortisation as Restated as appearing in Annexure 28 to this report;
  27. Details of Other expenses as Restated as appearing in Annexure 29 to this report;
  28. Details of Payment to Auditors as Restated as appearing in Annexure 29.1 to this report;
  29. Details of Summary of Accounting Ratios as Restated as appearing in Annexure 30 to this report;
  30. Details of Related Parties Transactions as Restated as appearing in Annexure 31 to this report;
  31. Capitalization Statement as Restated as at 31<sup>st</sup> December 2018 as appearing in Annexure 32 to this report;
  32. Statement of Tax Shelters as Restated as appearing in Annexure 33 to this report.
  33. Statement of Statement of Contingent Liabilities as Restated as appearing in Annexure 34 to this report.
  34. Statement of Statement of Segment Reporting as Restated as appearing in Annexure 35 to this report.
8. We, M/s A Biyani & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
  9. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
  10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
  11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  12. In our opinion, the above financial information contained in Annexure 1 to 35 of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
  13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

**For A Biyani & Co.**  
**Chartered Accountants**

S/d-

**Ashutosh Biyani**  
**Partner**  
**FRN No.140489W**  
**Membership No. 165017**  
**Place: Mumbai**  
**Date: 25-05-2019**

<b>GREENS FOOD CRAFTS INDIA LIMITED</b>				
<b>RESTATED BALANCE SHEET</b>				
<b>Annexure 1</b>				
<b>(Amt. in Lakhs Rs.)</b>				
<b>PARTICULARS</b>	<b>AS AT</b>			
	<b>31ST DEC</b>	<b>31ST MARCH</b>		
	<b>2018</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>A) EQUITY AND LIABILITIES</b>				
<b>1. Shareholders' Funds</b>				
(a) Share Capital	31.71	10.00	10.00	10.00
(b) Reserves & Surplus	3,179.04	210.97	147.36	107.44
	<b>3,210.75</b>	<b>220.97</b>	<b>157.36</b>	<b>117.44</b>
<b>2. Non Current Liabilities</b>				
(a) Long Term Borrowings	28.06	4.39	4.39	78.39
(b) Deferred Tax Liabilities (Net)			-	-
(c) Long term provisions	17.64	2.32	-	-
(d) Other Long Term Liabilities	-	-		
	<b>45.70</b>	<b>6.71</b>	<b>4.39</b>	<b>78.39</b>
<b>3. Current Liabilities</b>				
(a) Short Term Borrowings	116.19	-	-	-
(b) Trade Payables	188.10	5.84	5.14	5.14
(c) Other Current Liabilities	16.80	-	-	-
(d) Short Term Provisions	83.52	5.85	5.38	1.73
	<b>404.61</b>	<b>11.69</b>	<b>10.52</b>	<b>6.87</b>
<b>Total</b>	<b>3,661.07</b>	<b>239.37</b>	<b>172.28</b>	<b>202.70</b>
<b>B) ASSETS</b>				
<b>1. Non Current Assets</b>				
(a) Fixed Assets				
i) Tangible Assets	958.76	71.79	90.65	122.54
ii) Intangible Assets	-	-	-	-
	958.76	<b>71.79</b>	<b>90.65</b>	<b>122.54</b>
(b) Capital Work In Progress	605.74	46.32	15.95	15.95
(c) Non-Current Investment	-	-	-	-
(d) Long Term Loans and Advances	-	-	-	-
(e) Deferred Tax Assets (Net)	2.04	-	-	-
(f) Other Non Current Assets	-	-	-	-
	<b>607.78</b>	<b>46.32</b>	<b>15.95</b>	<b>15.95</b>
<b>2. Current Assets</b>				
(a) Inventories	331.11	12.37	26.54	22.51
(b) Trade Receivables	1,568.55	98.18	32.92	32.92
(c) Cash and Bank Balances	37.65	4.64	0.15	2.71
(d) Short term loans & advances	88.45	5.25	5.25	5.25
(e) other current assets	68.76	0.81	0.81	0.81
	<b>2,094.52</b>	<b>121.25</b>	<b>65.67</b>	<b>64.20</b>
<b>Total</b>	<b>3,661.07</b>	<b>239.37</b>	<b>172.28</b>	<b>202.70</b>

<b><u>GREENS FOOD CRAFTS INDIA LIMITED</u></b>				
<b><u>RESTATED STATEMENT OF PROFIT AND LOSS</u></b>				
<b>Annexure 2</b>				
<b>(Amt. in Lakhs Rs.)</b>				
<b>PARTICULARS</b>	<b>FOR THE PERIOD ENDED</b>			
	<b>31ST DEC</b>	<b>31ST MARCH</b>		
	<b>2018</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
1 Revenue from Operation	3,071.83	466.26	224.71	190.59
2 Other Income	12.15	-	-	-
<b>3 Total Revenue (1+2)</b>	<b>3,083.98</b>	<b>466.26</b>	<b>224.71</b>	<b>190.59</b>
<b>4 Expenditure</b>				
(a) Farming & Other Direct Expenses	1,901.70	299.58	132.34	112.24
(c) Changes in Inventories of stock-in-trade	(318.74)	14.17	(4.03)	(8.09)
(d) Employee Benefit Expenses	211.38	30.02	12.31	11.19
(e) Finance Cost	0.03	-	-	-
(f) Depreciation and Amortisation Expenses	64.03	18.86	31.89	30.30
(g) Other Expenses	427.47	40.02	12.28	10.46
<b>5 Total Expenditure 4(a) to 4(g)</b>	<b>2,285.87</b>	<b>402.65</b>	<b>184.79</b>	<b>156.10</b>
<b>6 Profit/(Loss) before exceptional items and tax (3-5)</b>	<b>798.11</b>	<b>63.61</b>	<b>39.92</b>	<b>34.49</b>
7 Less/(Add): Exceptional Items	-	-	-	<b>(0.92)</b>
<b>8 Profit/(Loss) before exceptional items and tax (6-8)</b>	798.11	63.61	39.92	35.41
<b>7 Tax Expense:</b>				
(a) Tax Expense for Current Year	25.31	-	-	-
(b) Short/(Excess) Provision of Earlier Year				
(c) Deferred Tax	-	-	-	-
Net Current Tax Expenses	25.31	-	-	-
<b>8 Profit/(Loss) for the Year (6-7)</b>	<b>772.80</b>	<b>63.61</b>	<b>39.92</b>	<b>35.41</b>
Earning per equity share in Rs.:				
(1) Basic	374.92	63.61	39.92	35.41
(2) Diluted	374.92	63.61	39.92	35.41

<b>GREENS FOOD CRAFTS INDIA LIMITED</b>				
<b>RESTATED CASH FLOW STATEMENT</b>				
<b>Annexure 3</b>				
(Amt. in Lakhs Rs.)				
PARTICULARS	FOR THE PERIOD ENDED			
	31ST DEC	31ST MARCH		
	2018	2,018	2,017	2,016
<b>A) Cash Flow from Operating Activities:</b>				
Net Profit after tax	772.80	63.61	39.92	35.41
Adjustment for:				
Depreciation	64.03	18.86	31.89	30.30
Interest Paid	0.03	-	-	-
Provision of Gratuity	16.30	2.49	-	-
Operating profit before working capital changes	853.16	84.96	71.81	65.71
<b>Changes in Working Capital</b>				
(Increase)/Decrease in Inventories	(318.74)	14.17	(4.03)	(8.09)
(Increase)/Decrease in Trade Receivables	(1,470.37)	(65.26)	-	(29.39)
(Increase)/Decrease in Short Term Loans & Advances	(83.20)	-	-	-
(Increase)/Decrease in Other Current Assets	(67.95)	-	-	-
(Increase)/Decrease in Other Non Current Assets	-	-	-	-
Increase/(Decrease) in Trade Payables	182.26	0.70	-	0.43
Increase/(Decrease) in Other Current Liabilities	16.80	-	-	-
Increase/(Decrease) in Short Term Provisions	76.69	0.30	3.65	(0.79)
Increase/(Decrease) in Deposits	-	-	-	-
Increase/(Decrease) in DTA/DTL	-	-	-	-
Increase/(Decrease) in Short Term Borrowings	116.19	-	-	-
<b>Cash generated from operations</b>	<b>(695.16)</b>	<b>34.87</b>	<b>71.43</b>	<b>27.87</b>
Less: - Income Taxes paid				
<b>Cash Flow Before Extraordinary Item</b>	<b>(695.16)</b>	<b>34.87</b>	<b>71.43</b>	<b>27.87</b>
Extraordinary Items	-	-	-	-
<b>Net cash flow from operating activities</b>	<b>(695.16)</b>	<b>34.87</b>	<b>71.43</b>	<b>27.87</b>
<b>B) Cash Flow from Investing Activities:</b>				
Purchase of Fixed Assets	(951.00)	(30.38)	-	(28.65)
CWIP	(559.42)	-	-	-
NCA	-	-	-	-
DTA	(2.04)	-	-	-
<b>Net cash flow from investing activities</b>	<b>(1,512.46)</b>	<b>(30.38)</b>	<b>-</b>	<b>(28.65)</b>
<b>C) Cash Flow from Financing Activities:</b>				
Proceeds from issue of share capital	2,216.98	-	-	-
Increase/(Decrease) in Long Term Borrowings	23.67	-	(74.00)	-
Interest Paid	(0.03)	-	-	-
<b>Net cash flow from financing activities</b>	<b>2,240.62</b>	<b>-</b>	<b>(74.00)</b>	<b>-</b>
Net Increase/(Decrease) In Cash & Cash Equivalents	33.02	4.49	(2.57)	(0.78)
Cash equivalents at the beginning of the year	4.64	0.15	2.71	3.50
Cash equivalents at the end of the year	37.65	4.64	0.15	2.71
<b>Notes:-</b>				
Particulars	As on 31st Dec, 2018	As on 31st March, 2018	As on 31st March, 2017	As on 31st March, 2016
1 Component of Cash and Cash equivalents				
Cash on hand	0.80	2.22	0.05	2.64
Balance With banks	36.85	2.42	0.10	0.07
Fixed Deposit	-	-	-	-
Total	37.65	4.64	0.15	2.71
2. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.				

## NOTES FORMING PART OF THE RESTATED FINANCIAL STATEMENTS

### ❖ BACKGROUND: -

**GREENS FOOD CRAFTS INDIA LIMITED** was incorporated on January 30<sup>th</sup>, 2009 under the provisions of Companies Act, 1956 with Registrar of Companies, Bangalore vide Registration No. U01403KA2009PLC049012.

Greens Food Crafts India Private Limited is an agriculture and food company. On 01.04.2018 it has acquired businesses of;

1. **Greens Natures Fresh Farms Private Limited (Seller Company)** - The Seller is a private limited company primarily engaged in the farming and sale of Agricultural products. The Company inter-alia is engaged in farm plantation, processing, logistics and exports of vegetables including;
  - sowing, growing, producing, processing, developing, promoting, exhibiting, distributing, exporting, selling and or dealing in agro based products
  - Producing, buying, selling and exporting herbs and agro based products.
  - Undertake manage and otherwise engage in the business of agro-based and or herbs item's business.
  - The Buyer (Greens Food Crafts India P Ltd.,) shall pay to the Seller a lump-sum net consideration of Rs. 7,50,43,500/- (Rupees Seven Crores Fifty Lakhs Forty-Three Thousand Five Hundred only) in full and final settlement for the transfer of the Undertaking to the Buyer ("Consideration") which shall be discharged by way of issue and allotment of 73,500 (Seventy-Three Thousand Five Hundred only) equity shares having face value of Rs. 10/- (Rupees Ten only) each to the Seller on preferential basis at an issue price of Rs. 1,021/- (Rupees One Thousand Twenty-One only).
  - The issue price has been arrived upon and agreed between the Parties and determined based on the valuation report (the "**Valuation Report**") dated 10<sup>th</sup> April, 2018 issued by qualified independent valuer, M/s Bansal Anurag & Associates, Chartered Accountants, Gurgaon, Haryana (Membership No. 506632)
2. **Greens Natures Fresh Produce Private Limited (Seller Company)** - The Seller is a private limited company primarily engaged in the farming and sale of Agricultural products. The Company inter-alia is engaged in farm plantation, processing, logistics and exports of vegetables (including exotics and English vegetables) and fruits including;
  - sowing, growing, producing, processing, developing, promoting, exhibiting, distributing, exporting, selling and or dealing in agro based products
  - Producing, buying, selling and exporting herbs and agro based products.
  - Undertake manage and otherwise engage in the business of agro-based and or herbs item's business.
  - The Buyer shall pay to the Seller a lump-sum net consideration of Rs. 8,29,79,733/- (Rupees Eight Crores Twenty Nine Lakhs Seventy Nine Thousand Seven Hundred and Thirty Three Only) in full and final settlement for the transfer of the Undertaking to the Buyer ("Consideration") which shall be discharged by way of issue and allotment of 81,273 (Eighty
  - One Thousand Two Hundred and Seventy Three only) equity shares having face value of Rs. 10/- (Rupees Ten only) each to the Seller on preferential basis at an issue price of Rs. 1,021/- (Rupees One Thousand Twenty One only).
  - The issue price has been arrived upon and agreed between the Parties and determined based on the valuation report (the "**Valuation Report**") dated 10<sup>th</sup> April, 2018 issued by qualified independent valuer, M/s Bansal Anurag & Associates, Chartered Accountants, Gurgaon, Haryana (Membership No. 506632)
3. **Mamatha Speciality Foods Private Limited ( Seller Company)** - The Seller is a private limited company primarily engaged in the processing and sale of Readymade packaged and processed food products including;
  - Growing, cultivating, producing, buying, selling, manufacturing, processing, cooking, treating, blending, rendering marketable in packed or concentrated form, food, including but not limited to ready to eat /cook food products, food articles, masala mixes, ready mixes, instant food mixes, culinary products, fresh packaged vegetables, cereals, spice powders, chutneys, bakery products, health foods and drinks, traditional drinks and beverages, processed food, milk products, milk powders, milk based products, noodles, dehydrated foods and vegetables, wheat and rice products, meat and other poultry products and other foodstuffs by application of different technology, processes.
  - Manufacturing, cultivating, producing, buying, selling, importing, exporting, growing, blending or otherwise deal in all types of essences, oils, aromatic substances, flavours, flavouring agents or other chemicals or ingredients used in the manufacture of the aforesaid products, whether for production and sale on its own behalf or undertaking the said work on behalf of other brand owners.
  - Manufacturer, producer, processor, importer, exporter, distributors, suppliers, dealers, packers, consultants or otherwise as dealers in all types of confectionery items including but not limited to sweet meat, chocolates, processed foods and other allied confectionery items such as pastries, cornflakes, biscuits, flours, aerated and

mineral waters, dairy products, jellies, jams, condensed milk, ice cream, spices, melted food, and I all other goods and things of such nature that can , in the opinion of the company be conveniently manufactured or dealt by the company in connection with any of the foregoing business.

- The Buyer shall pay to the Seller a lump-sum net consideration of Rs. 26,56,642/- (Rupees Twenty Six Lakhs Fifty Six Thousand Six Hundred Forty Two Only) in full and final settlement for the transfer of the Undertaking to the Buyer ("Consideration") which shall be discharged by way of issue and allotment of 2,602 (Two Thousand Six Hundred and Two only) equity shares having face value of Rs. 10/- (Rupees Ten only) each to the Seller on preferential basis at an issue price of Rs. 1,021/- (Rupees One Thousand Twenty One only).
- The issue price has been arrived upon and agreed between the Parties and determined based on the valuation report (the "**Valuation Report**") dated 10<sup>th</sup> April, 2018 issued by qualified independent valuer, M/s Bansal Anurag & Associates, Chartered Accountants, Gurgaon, Haryana (Membership No. 506632)

**4. Malnad Plantations:** The Seller is a partnership firm engaged in the business of producing, marketing, selling and exporting of coffee & other plantation products and management of coffee estate and plantation land including;

- sowing, growing, producing, processing, developing, promoting, exhibiting, distributing, exporting, selling and or dealing in herbs
- producing, buying, selling and exporting herbs and agro based products
- undertake, manage and otherwise engage in the business of herbs and or agro based item's business.
- manufacturers and to refinement, processing, preservation, dehydration, canning, bottling, pickling, freezing, packing and repacking of vegetables, culinary herbs, fruits, cereal products, squashes, soup, syrups, juice and ice concentrates, nectars, jelly pulp, purees beans, cocktail, ketchups, jams and murabbas, pickles, sauce, slices, marmalade health foods and drink milk, milk powder, cream butter, cheese, condensed milk and baby foods. aerated, non-aerated minerals and artificial water drinks, ghee, fats, snacks, fast food, cooked or boiled or fried foods, sweet, meats and namkeens, honey, custard and provision of all kinds and every descriptions and to carry on the business of export, import, brokers, commission agents and dealers of food products of all kinds.
- The Buyer shall pay to the Seller a lump-sum net consideration of Rs. 6,10,18,023/- (Rupees Six Crores Ten Lakh Eighteen Thousand Twenty Three only) in full and final settlement for the transfer of the Undertaking to the Buyer ("**Consideration**") which shall be discharged by way of issue and allotment of 59,763 (Fifty Nine Thousand Seven Hundred and Sixty Three) equity shares having face value of Rs. 10/- (Rupees Ten only) each to the Seller on preferential basis at an issue price of Rs. 1,021/- (Rupees One Thousand Twenty One only).

The issue price has been arrived upon and agreed between the Parties and determined based on the valuation report (the "**Valuation Report**") dated 10<sup>th</sup> April, 2018 issued by qualified independent valuer, M/s Bansal Anurag & Associates, Chartered Accountants, Gurgaon, Haryana (Membership No. 506632)

#### **ANNEXURE – 4: Restated Significant accounting policies and notes on Accounts:**

##### **a. Basis of preparation of financial statements: -**

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013. The Financial statements have been prepared under the historical cost convention and on the accrual basis of accounting. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

##### **b. Use of Estimates: -**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge, actual results may differ from these estimates.

##### **c. Valuation of Inventory: -**

Raw materials (Vegetables) and packing materials are valued at lower of cost or net realizable value, determined on First in first out method basis. Cost comprises costs of purchase and other costs incurred in bringing the inventories to their present location and condition

##### **d. Cash Flow Statement: -**

Cash flow statement has been prepared as per requirements of Accounting Standard - 3. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

**e. Contingencies and Events Occurring After the Balance Sheet Date: -**

Effects of, events occurred after Balance Sheet date and having material effect on financial statements are reflected where ever required.

**f. Net Profit or loss for the period, prior period items and changes in accounting policies: -**

Material items of prior period, non-recurring and extra ordinary items are shown separately, If any.

**g. Fixed Assets: -**

Fixed assets are stated at cost less accumulated depreciation. Cost comprises of the purchase price and is attributable cost bringing the asset to its working condition and for its intended use. Financing costs relating to acquisition of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use. As per Companies Act 2013 fixed assets below the value of Rs. 5000/- has been written off in the books of accounts of the company.

Assets under erection/installation are shown as “Capital Work in Progress”. Expenditure during construction period are shown as “pre-operative expenses” to be capitalized on completion of erection/ installations of the assets.

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset’s net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**h. Depreciation accounting: -**

Depreciation is provided as per the provisions prescribed under schedule II of the Companies Act, 2013.

**i. Revenue Recognition: -**

Domestic Sales are recognized on the basis of dispatch of goods to the customers.

**j. Accounting for effects of changes in foreign exchange rates: -****(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**(ii) Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

**(iii) Exchange Differences**

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**k. Accounting for Government Grants: -**

Capital subsidiary receivable specific to fixed assets is treated as per accounting standard 12 and other revenue grants is recorded as revenue items.

**l. Accounting for Investments: -**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

**m. Employees Retirement Benefit Plan: -**

Employee gratuity fund scheme is the Defined Benefit Plan. Provision for gratuity has been made in the restated accounts based on actuarial Valuation for Financial Year 2017-18 and For the Period ended 31.12.2018. Gratuity is paid at the time of retirement of employees.

**n. Borrowing Cost: -**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**o. Segment Reporting: -**

Disclosure is made in the Annexure 35 as per the requirements of the Accounting Standard - 17.

The Company has following 5 Identified Operational Segments –

- Exports - Fresh Produce - F & V Segment
- Deemed Exports - Fresh Produce - F & V Segment
- Domestic - Fresh Produce - F & V – HoReCa
- Domestic - Fresh Produce - F & V – Retail
- Processing - Processed food

**p. Related Party Disclosure: -**

The Disclosures of Transaction with the related parties as defined in the Accounting Standard are given in Annexure 31

**q. Accounting for Leases: -**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

**r. Earnings Per Share: -**

Disclosure is made in the Annexure 30 as per the requirements of the Accounting Standard - 20.

Basic earnings per share are calculated by dividing the net profit for the year, attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit for the year, attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

**s. Accounting for Taxes on Income: -**

As company is dealing with farming and procuring of culinary herbs and exotic vegetables, (Popularly known as English vegetables) entire income derived from its operation is exempt under Income Tax Act. Since then provision for tax and deferred tax has not been provided in the books. Company does not have any other income during the year other than the agriculture as above.

**t. Discontinuing Operations: -**

During the years/period, the company has not discontinued any of its operations.



**u. Provisions Contingent liabilities and contingent assets: -**

- Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
- Contingent Liabilities are not recognized but disclosed in the financial statements.
- Contingent Assets are neither recognized nor disclosed in the financial statements.
- Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet Date.

**v. Changes in Accounting Policies in the period/ years covered in the restated financials: -**

There are no changes in significant accounting policies for the period/ years covered in the restated financials.

**w. Notes on accounts as restated**

- ❖ The financial statements including financial information have been reworked, regrouped, and reclassified wherever considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in financial statements/ information may not be necessarily same as those appearing in the respective audited financial statements for the relevant period/years.
- ❖ Credit and Debit balances of unsecured loans, sundry creditors, sundry Debtors, loans and Advances are subject to confirmation and therefore the effect of the same on profit could not be ascertained.
- ❖ The current maturities of the Secured Long Term Borrowings have been correctly reclassified Current maturities of Long Term Debt (which is shown in other Current Liabilities) and Long Term Borrowings.
- ❖ Since the company has taxable income and the liability for the same is more than limit specified for advance tax and the advance tax not paid by the company.

For A Biyani & Co  
Limited  
Chartered Accountants  
ICAI Firm Reg. No. 140489W

S/d-

Ashutosh Biyani  
Partner  
Director  
Membership No. 165017  
Place: Mumbai  
Dated: 25-05-2019

For Greens Food Crafts India Private

Director

<b>Reconciliation of Restated profit:</b>		<b>Annexure 5</b>			
Particulars	31.12.2018	2017-18	2016-17	2015-16	
<b>Net Profit Before Tax as per audited accounts but before adjustments for restated accounts:</b>	<b>814.41</b>	<b>66.10</b>	<b>39.92</b>	<b>34.50</b>	
(Short)/Excess Provision of Gratuity Expense	(16.30)	(2.49)	-	-	
(Short)/Excess booking of TDS Paid by the Company	-	-	-	-	
(Short)/Excess Provision of depreciation on Fixed Assets	-	-	-	-	
(Short)/Excess Provision of Expenses towards Commission and Royalty, Octroi, Telephone Expenses	-	-	-	-	
(Short)/Excess Provision of Foreign Exchange Gain/Loss	-	-	-	-	
Prior Period Expenses Accounted in Respective period	-	-	-	-	
(Short)/Excess Provision of Interest on Loan	-	-	-	-	
Amortization of Expenses for Increase in Authorize Share Capital and ROC Expenses	-	-	-	-	
Non booking of Service Tax on Input services in Profit & Loss Account	-	-	-	-	
<b>Net Adjustment in Profit and Loss Account</b>	<b>(16.30)</b>	<b>(2.49)</b>	<b>-</b>	<b>-</b>	
<b>Adjusted Profit before Tax</b>	<b>798.11</b>	<b>63.61</b>	<b>39.92</b>	<b>34.50</b>	
<b>Net Profit before Tax as per Restated Accounts:</b>	<b>798.11</b>	<b>63.61</b>	<b>39.92</b>	<b>34.50</b>	

<b>SHARE CAPITAL</b>		<b>Annexure 6</b>						
		<b>(Rs. in Lakhs)</b>						
<u>Share Capital</u>	From 1st april to 31st December 2018		As At 31 <sup>st</sup> March 2018		As At 31 <sup>st</sup> March 2017		As At 31 <sup>st</sup> March 2016	
	Number	Amt.	Number	Amt.	Number	Amt.	Number	Amt.
<b>Authorised*</b>								
Equity Shares of Rs.10 each	3,50,000	35.00	3,50,000	35.00	1,00,000	10.00	1,00,000	10.00
<b>Issued</b>								
Equity Shares of Rs.10 each	3,17,138	31.71	1,00,000	10.00	1,00,000	10.00	1,00,000	10.00
<b>Subscribed &amp; Paid up</b>								
Equity Shares of Rs.10 each fully paid up	3,17,138	31.71	1,00,000	10.00	1,00,000	10.00	1,00,000	10.00
<b>Total</b>	<b>3,17,138</b>	<b>31.71</b>	<b>1,00,000</b>	<b>10.00</b>	<b>1,00,000</b>	<b>10.00</b>	<b>1,00,000</b>	<b>10.00</b>

## RECONCILIATION OF NUMBER OF SHARES

Particulars	Equity Shares		Equity Shares		Equity Shares		Equity Shares	
	Number	Amt. Rs.	Number	Amt. Rs.	Number	Amt. Rs.	Number	Amt. Rs.
Shares outstanding at the beginning of the year	1,00,000	10.00	1,00,000	10.00	1,00,000	10.00	1,00,000	10.00
Shares Issued during the year**	2,17,138	21.71	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-	-	-
Shares outstanding at the end of the year	3,17,138	31.71	1,00,000	10.00	1,00,000	10.00	1,00,000	10.00

## Details of Shares held by shareholders holding more than 5% of the aggregate shares in the co.

Name of Shareholder	From 1st april to 31st December 2018		As At 31 <sup>st</sup> March 2018		As At 31 <sup>st</sup> March 2017		As At 31 <sup>st</sup> March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Ramesh Bomme Gowda	-	0.00%	-	0.00%	99,000	99.00%	99,000	99.00%
Mr. Jagdish B, Authorized Representative for Arya Ved Trust	99,999	31.53%	99,999	100.00%	-	0.00%	-	0.00%
Greens Natures Fresh Produce Private Limited	81,273	25.63%	-	0.00%	-	0.00%	-	0.00%
Greens Nature's Fresh Farms Private Limited	73,500	23.18%	-	0.00%	-	0.00%	-	0.00%
Mr. Jagdish B & Mr. Anil C Gowda on Behalf of M/s Malnad Pantations, Partnership Firm	59,763	18.84%	-	0.00%	-	0.00%	-	0.00%

RESERVE AND SURPLUS				Annexure 7 (Amt. in Lakhs)	
Particulars	As at 31st	As at 31st	As at 31st	As at 31st	
	December 2018	March 2018	March 2017	March 2016	
Securities Premium Reserve	2,195.27	-	-	-	
Surplus (Profit & Loss Account)					
Balance brought forward from previous year	210.97	147.36	107.44	72.03	
Add: Profit for the period	798.11	63.61	39.92	35.41	
Less – Utilisations	-	-	-	-	
Balance Carried forward to Next Year	1,009.08	210.97	147.36	107.44	
<b>Total</b>	<b>3,204.35</b>	<b>210.97</b>	<b>147.36</b>	<b>107.44</b>	

STATEMENT OF LONG TERM BORROWINGS					Annexure 8 (Amt. in Lakhs)	
Particulars	As at					
	31.12.2018	31.03.2018	31.03.2017	31.03.2016		
<b>Long Term Borrowings</b>						
<b>Secured Loan</b>						
From Bank (Hypo. of Assets Purchased from Bank Finance)	-	-	-	-		
<b>Total Long Term Borrowings (Secured)</b>	-	-	-	-		
<b>Unsecured Loan</b>						
Borrowings from Directors/ Promoter/Promoter Group companies/ Relatives of Promoter/Relatives of Directors	-	4.39	4.39	78.39		
Unsecured Loan from Bank and Others	28.06	0.00	0.00	0.00		
<b>Total Long Term Borrowings (Unsecured)</b>	<b>28.06</b>	<b>4.39</b>	<b>4.39</b>	<b>78.39</b>		
<b>Total (Secured + Unsecured)</b>	<b>28.06</b>	<b>4.39</b>	<b>4.39</b>	<b>78.39</b>		

**Notes**

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
- List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY									Annexure 8.1	
Name of Lender	Nature of Facility	Purpose	Sanctioned Amount (In Lakhs Rs.)	Rate of interest	Securities offered	Re-Payment Schedule	Moratorium	Outstanding Amount (In Lakhs.) as on (as per Books)	Outstanding amount (In Lakhs) as on (as per Books)	
								31/12/2018	31.03.2018	
-NIL-										

STATEMENT OF LONG TERM PROVISIONS				Annexure 9 (Amt. in Lakhs)
Particulars	As at			
	31.12.2018	31.03.2018	31.03.2017	31.03.2016
Provision for Gratuity	17.64	2.32	-	-
<b>Total</b>	<b>17.64</b>	<b>2.32</b>	-	-

**Notes**  
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.  
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

STATEMENT OF SHORT TERM BORROWINGS				Annexure 10 (Amt. in Lakhs)
Particulars	As at			
	31.12.2018	31.03.2018	31.03.2017	31.03.2016
<b>Short Term Borrowings (Secured)</b>				
<b>From Banks</b>	-	-	-	-
(Nature of Security - Working Capital Limits are Secured Against Stock and Book debts of the Company)				
<b>From Related Parties</b>	-	-	-	-
<b>From Others</b>	-	-	-	-
<b>Total Short Term Borrowings (Secured)</b>	-	-	-	-
<b>Short Term Borrowings (Unsecured)</b>				
<b>From Banks/Financial Institutions</b>				
<b>From Related Parties</b>	-	-	-	-
Borrowings from Directors/ Promoter/Promoter Group companies/ Relatives of Promoter/Relatives of Directors	116.19	-	-	-
<b>From Others</b>	-	-	-	-
<b>Total Short Term Borrowings (Unsecured)</b>	<b>116.19</b>	-	-	-
<b>Total (Secured + Unsecured)</b>	<b>116.19</b>	-	-	-

**Notes**  
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.  
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.  
3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

STATEMENT OF TRADE PAYABLES				Annexure 11 (Amt. in Lakhs)
Particulars	As on			
	31.12.2018	31.03.2018	31.03.2017	31.03.2016
<b>Trade Payables</b>				
<b>For Goods &amp; Services</b>				
Micro, Small and Medium Enterprises	-	-	-	-
Others	188.10	5.84	5.14	5.14
<b>Total</b>	<b>188.10</b>	<b>5.84</b>	<b>5.14</b>	<b>5.14</b>

**Notes:**  
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.  
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

STATEMENT OF OTHER CURRENT LIABILITIES				Annexure 12 (Amt. in Lakhs)
Particulars	As on			
	31.12.2018	31.03.2018	31.03.2017	31.03.2016
<b>Other Current Liabilities</b>				
TDS Payable	16.80	-	-	-
<b>Total</b>	<b>16.80</b>	<b>-</b>	<b>-</b>	<b>-</b>

STATEMENT OF SHORT TERM PROVISIONS				Annexure 13 (Amt. in Lakhs)
Particulars	As on			
	31.12.2018	31.03.2018	31.03.2017	31.03.2016
Provision for Employee benefit	35.76	1.23	4.67	0.95
Other Expenses Payable	22.45	4.62	0.71	0.78
Tax Provision	25.31	-	-	-
<b>Total</b>	<b>83.52</b>	<b>5.85</b>	<b>5.38</b>	<b>1.73</b>

**Notes:**

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

Non Current Assets											Annexure 14
Fixed Assets	Gross Block				Accumulated Depreciation					Net Block	
	Balance as at 1st April 2015	Additions	Disposals	Balance as at 31st March 2016	Balance as at 1st April 2015	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31st March 2016	Balance as at 31st March 2016	Balance as at 31st March 2015
<b>Tangible Assets</b>											
Land	37.76	-	-	37.76	-	-	-	-	-	37.76	37.76
Green House	-	28.66	-	28.66	-	-	-	-	-	28.66	-
Plant and Machinery	111.03	-	-	111.03	28.40	29.65	-	-	58.05	52.98	82.63
Electric Equipment	0.87	-	-	0.87	0.24	0.13	-	-	0.37	0.50	0.63
Furniture & Fixtures	2.92	-	-	2.92	1.01	0.38	-	-	1.39	1.53	1.91
Office Equipments	1.67	-	-	1.67	0.57	0.14	-	-	0.71	0.96	1.10
Computers	1.21	-	-	1.21	1.05	0.01	-	-	1.06	0.15	0.16
<b>Total</b>	<b>155.46</b>	<b>28.66</b>	<b>-</b>	<b>184.12</b>	<b>31.27</b>	<b>30.31</b>	<b>-</b>	<b>-</b>	<b>61.58</b>	<b>122.54</b>	<b>124.19</b>
Fixed Assets	Gross Block				Accumulated Depreciation					Net Block	
	Balance as at 1st April 2016	Additions	Disposals	Balance as at 31st March 2017	Balance as at 1st April 2016	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31st March 2017	Balance as at 31st March 2017	Balance as at 31st March 2016
<b>Tangible Assets</b>											
Land	37.76	-	-	37.76	-	-	-	-	-	37.76	37.76
Green House	28.66	-	-	28.66	-	0.94	-	-	0.94	27.72	28.66
Plant and Machinery	111.03	-	-	111.03	58.05	29.46	-	-	87.51	23.52	52.98
Electric Equipment	0.87	-	-	0.87	0.37	0.13	-	-	0.50	0.37	0.50
Furniture & Fixtures	2.92	-	-	2.92	1.39	0.39	-	-	1.78	1.14	1.53
Office Equipments	1.67	-	-	1.67	0.71	0.88	-	-	1.59	0.08	0.96
Computers	1.21	-	-	1.21	1.06	0.09	-	-	1.15	0.06	0.15
<b>Total</b>	<b>184.12</b>	<b>-</b>	<b>-</b>	<b>184.12</b>	<b>61.58</b>	<b>31.89</b>	<b>-</b>	<b>-</b>	<b>93.47</b>	<b>90.65</b>	<b>122.54</b>
Fixed Assets	Gross Block				Accumulated Depreciation					Net Block	
	Balance as at 1st April 2017	Additions	Disposals	Balance as at 31st March 2018	Balance as at 1st April 2017	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31st March 2018	Balance as at 31st March 2018	Balance as at 31st March 2017
<b>Tangible Assets</b>											
Land	37.76	-	-	37.76	-	-	-	-	-	37.76	37.76
Green House	28.66	-	-	28.66	0.94	0.91	-	-	1.85	26.81	27.72
Plant and Machinery	111.03	-	-	111.03	87.51	17.43	-	-	104.94	6.09	23.52
Electric Equipment	0.87	-	-	0.87	0.50	0.13	-	-	0.63	0.24	0.37
Furniture & Fixtures	2.92	-	-	2.92	1.78	0.39	-	-	2.17	0.75	1.14

Office Equipments	1.67		-	1.67	1.59	-	-	-	1.59	0.08	0.08
Computers	1.21			1.21	1.15	-	-	-	1.15	0.06	0.06
<b>Total</b>	<b>184.12</b>	<b>-</b>	<b>-</b>	<b>184.12</b>	<b>93.47</b>	<b>18.86</b>	<b>-</b>	<b>-</b>	<b>112.33</b>	<b>71.79</b>	<b>90.65</b>
<b>Fixed Assets</b>	<b>Gross Block</b>				<b>Accumulated Depreciation</b>					<b>Net Block</b>	
	<b>Balance as at 1 st April 2018</b>	<b>Additions</b>	<b>Disposals</b>	<b>Balance as at 31 st December 2018</b>	<b>Balance as at 1 st April 2018</b>	<b>Depreciation charge for the year</b>	<b>Adjustment due to revaluations</b>	<b>On disposals</b>	<b>Balance as at 31 st December 2018</b>	<b>Balance as at 31 st December 2018</b>	<b>Balance as at 31 st March 2018</b>
<b>Tangible Assets</b>											
Land	37.76	293.00		330.76	-		-	-	-	330.76	37.76
Green House	28.66	217.63		246.29	1.85	8.50	-	-	10.35	235.94	26.81
Plant and Machinery	111.03	16.36		127.39	104.94	2.49	-	-	107.43	19.96	6.09
Electric Equipment	0.87	9.24		10.11	0.63	3.35	-	-	3.98	6.13	0.24
Furniture & Fixtures	2.92	13.98		16.90	2.17	1.91	-	-	4.08	12.82	0.75
Office Equipments	1.67	7.79		9.46	1.59	3.13	-	-	4.72	4.74	0.08
Computers	1.21	0.63		1.84	1.15	0.19	-	-	1.34	0.50	0.06
Shadenet	-	33.54		33.54	-	1.59	-	-	1.59	31.95	-
Generator	-	11.23		11.23	-	1.72	-	-	1.72	9.51	-
Vehicles	-	31.80		31.80	-	6.47	-	-	6.47	25.33	-
Irrigation System	-	48.82		48.82	-	12.61	-	-	12.61	36.21	-
Buildings	-	153.59		153.59	-	7.36	-	-	7.36	146.23	-
Cold Storage	-	1.89		1.89	-	1.14	-	-	1.14	0.75	-
Tools & Equipments	-	69.50		69.50	-	10.28	-	-	10.28	59.22	-
Drying Yard	-	30.14		30.14	-	1.51	-	-	1.51	28.63	-
Plants & Seeds	-	11.86		11.86	-	1.78	-	-	1.78	10.08	-
	<b>184.12</b>	<b>951.00</b>	<b>-</b>	<b>1,135.12</b>	<b>112.33</b>	<b>64.03</b>	<b>-</b>	<b>-</b>	<b>176.36</b>	<b>958.76</b>	<b>71.79</b>

<b>Annexure 15</b>				
<b>STATEMENT OF CAPITAL WORK IN PROGRESS</b>				
(Amt. in Lakh Rs.)				
Particulars	As at			
	31.12.2018	31.03.2018	31.03.2017	31.03.2016
<b>Capital WIP</b>				
Capital Work in Progress	605.74	46.32	15.95	15.95
<b>Total</b>	<b>605.74</b>	<b>46.32</b>	<b>15.95</b>	<b>15.95</b>
<b>Notes:</b>				
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.				
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.				

<b>Annexure 16</b>				
<b>STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES</b>				
(Amt. in Lakh Rs.)				
Particulars	As at			
	31.12.2018	31.03.2018	31.03.2017	31.03.2016
<b>Opening Balance (A)</b>				
Opening Balance of Deferred Tax (Asset)/ Liability	-	-	-	-
<b>Current Year Provision (B)</b>				
(DTA)/ DTL on Provision for Fixed Assets	2.04	-	-	-
Closing Balance of Deferred Tax (Asset)/ Liability (A+B)	2.04	-	-	-
<b>Note:</b> The above statement should be read with the significant accounting policies and notes to restated summary statement of profit and loss account and cash flows statement as appearing in Annexures IV, I, I and III .				

<b>Annexure 17</b>				
<b>STATEMENT OF INVENTORIES</b>				
(Amt. in Lakhs)				
Particulars	As at			
	31.12.2018	31.03.2018	31.03.2017	31.03.2016
Closing Stock	331.11	12.37	26.54	22.51
<b>Total</b>	<b>331.11</b>	<b>12.37</b>	<b>26.54</b>	<b>22.51</b>
<b>Note-:</b>				
1. Inventory has been physically verified by the management of the Company at the end of respective year/period				
2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the company.				
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.				

<b>Annexure 18</b>				
<b>STATEMENT OF TRADE RECEIVABLES</b>				
(Amt. in Lakh Rs.)				
Particulars	As at			
	31.12.2018	31.03.2018	31.03.2017	31.03.2016
<b>Outstanding for a period exceeding six months (Unsecured and considered Good)</b>				
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-
Others	-	-	-	-
<b>Outstanding for a period not exceeding 6 months (Unsecured and considered Good)</b>				
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-
Others	1,568.55	98.18	32.92	32.92
<b>Total</b>	<b>1,568.55</b>	<b>98.18</b>	<b>32.92</b>	<b>32.92</b>
<b>Notes:</b>				
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.				
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.				



<b>STATEMENT OF CASH &amp; CASH EQUIVALENTS</b>				<b>Annexure 19</b> (Amt. in Lakh Rs.)
<b>Particulars</b>	<b>As at</b>			
	<b>31.12.2018</b>	<b>31.03.2018</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
Cash on Hand (As Certified by Management)	0.80	2.22	0.05	2.64
Balances with Banks				
- In Current Accounts	36.85	2.42	0.10	0.07
- In Deposit Account	-	-	-	-
<b>Total</b>	<b>37.65</b>	<b>4.64</b>	<b>0.15</b>	<b>2.71</b>
<b>Notes:</b>				
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.				
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.				

<b>STATEMENT OF SHORT-TERM LOANS AND ADVANCES</b>				<b>Annexure 20</b> (Amt. in Lakhs)
<b>Particulars</b>	<b>As at</b>			
	<b>31.12.2018</b>	<b>31.03.2018</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
<b>Unsecured, Considered Good unless otherwise stated</b>				
Other Loans & Advances	88.45	5.25	5.25	5.25
<b>Total</b>	<b>88.45</b>	<b>5.25</b>	<b>5.25</b>	<b>5.25</b>
<b>Notes:</b>				
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.				
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.				

<b>STATEMENT OF OTHER CURRENT ASSETS</b>				<b>Annexure 21</b> (Amt. in Lakhs)
<b>Particulars</b>	<b>As at</b>			
	<b>31.12.2018</b>	<b>31.03.2018</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
<b>Other current Assets</b>				
Security Deposit	68.76	0.81	0.81	0.81
<b>Total</b>	<b>68.76</b>	<b>0.81</b>	<b>0.81</b>	<b>0.81</b>
<b>Notes:</b>				
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.				
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.				
3. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.				

<b>STATEMENT OF TURNOVER</b>				<b>Annexure 22</b> (Amt. in Lakhs)
<b>Particulars</b>	<b>For the Period Ended</b>			
	<b>31.12.2018</b>	<b>31.03.2018</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
(i) Turnover of Products Produced by the Company				
-Domestic Sales	1,662.99	466.26	224.71	190.59
-Export Sales	1,408.84	-	-	-
(ii) Turnover of Products Traded by the Issuer Company	-	-	-	-
*(iii) Turnover in respect of Products not Normally dealt in by the Issuer Company but included in (ii) above	-	-	-	-
(iv) Turnover of sale of services	-	-	-	-
<b>Total</b>	<b>3,071.83</b>	<b>466.26</b>	<b>224.71</b>	<b>190.59</b>
<b>Notes:</b>				
1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.				
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.				

<b>OTHER INCOME</b>					<b>Annexure 23</b>
					<b>(Amt. in Lakhs)</b>
Particulars	For the Period Ended				
	31.12.2018	31.03.2018	31.03.2017	31.03.2016	
(i) Foreign Exchange Gains/Losses	12.15	-	-	-	
<b>Total</b>	<b>12.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.  
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

<b>FARMING &amp; OTHER DIRECT EXPENSES</b>					<b>Annexure 24</b>
					<b>(Amt. in Lakhs)</b>
Particulars	For the Period Ended				
	31.12.2018	31.03.2018	31.03.2017	31.03.2016	
Farming	1,337.32	196.47	87.46	74.18	
Other Direct Expenses	564.38	103.11	44.88	38.06	
<b>Total</b>	<b>1,901.70</b>	<b>299.58</b>	<b>132.34</b>	<b>112.24</b>	

<b>CHANGES IN INVENTORIES OF STOCK-IN-TRADE</b>					<b>Annexure 25</b>
					<b>(Amt. in Lakhs)</b>
Particulars	For the Period Ended				
	31.12.2018	31.03.2018	31.03.2017	31.03.2016	
Stock-In-Trade	331.11	12.37	26.54	22.51	
<b>Inventories at the beginning of the year</b>					
Stock-In-Trade	12.37	26.54	22.51	14.42	
<b>Net (Increase)/decrease</b>	<b>-318.74</b>	<b>14.17</b>	<b>-4.03</b>	<b>-8.09</b>	

<b>EMPLOYEE BENEFITS EXPENSES</b>					<b>Annexure 26</b>
					<b>(Amt. in Lakhs)</b>
Particulars	For the Period Ended				
	31.12.2018	31.03.2018	31.03.2017	31.03.2016	
a) Salaries, Bonus, PF & ESIC	180.25	25.08	12.09	11.01	
b) Staff Welfare Expenses	14.83	2.45	0.22	0.18	
c) Gratuity	16.30	2.49	-	-	
<b>Total</b>	<b>211.38</b>	<b>30.02</b>	<b>12.31</b>	<b>11.19</b>	

<b>FINANCE COST</b>					<b>Annexure 27</b>
					<b>(Amt. in Lakhs)</b>
Particulars	For the Period Ended				
	31.12.2018	31.03.2018	31.03.2017	31.03.2016	
Interest on Loan	-	-	-	-	
Bank Charges	0.03	-	-	-	
<b>Total</b>	<b>0.03</b>	<b>-</b>	<b>-</b>	<b>-</b>	

<b>DEPRECIATION AND AMORTISATION</b>					<b>Annexure 28</b>
					<b>(Amt. in Lakhs)</b>
Particulars	For the Period Ended				
	31.12.2018	31.03.2018	31.03.2017	31.03.2016	
Depreciation Exp	64.03	18.86	31.89	30.30	
Amortisation of Expenses	-	-	-	-	
<b>Total</b>	<b>64.03</b>	<b>18.86</b>	<b>31.89</b>	<b>30.30</b>	

<b>OTHER EXPENSES</b>					<b>Annexure 29</b>
					<b>(Amt. in Lakhs)</b>
Particulars	For the Period Ended				
	31.12.2018	31.03.2018	31.03.2017	31.03.2016	
Audit Fees	5.25	0.30	0.29	0.29	
Conveyance	8.75	1.44	0.70	0.59	
Travelling	12.18	2.01	0.37	0.32	

Postage & Courier	14.45	2.39	0.18	0.16
Consultancy Charges	-	0.02	0.01	0.04
Packing & Forwarding	188.69	9.65	4.65	3.94
Printing and Stationery	8.76	1.45	0.21	0.18
Business Promotion	30.75	5.08	2.44	2.07
Rent	10.47	1.50	1.41	1.20
Transportation charges	105.25	13.65	1.76	1.47
Repairs & Maintenance	32.27	2.53	0.26	0.20
Rates & Taxes	0.15	-	-	-
Professional Fees	3.89	-	-	-
Pre-Operative Expenses	5.47	-	-	-
ROC Charges	1.14	-	-	-
<b>Total</b>	<b>427.47</b>	<b>40.02</b>	<b>12.28</b>	<b>10.46</b>

**PAYMENT TO AUDITORS AS:****Annexure 29.1  
(Amt. in Lakhs)**

Particulars	For the Period Ended			
	31.12.2018	31.03.2018	31.03.2017	31.03.2016
Payment to auditors				
a. Statutory Audit fees	5.25	0.30	0.29	0.29
b. for taxation matters	-	-	-	-
c. for company law matters	-	-	-	-
d. for management services	-	-	-	-
e. for other services	-	-	-	-
f. for reimbursement of expenses	-	-	-	-
<b>Total</b>	<b>5.25</b>	<b>0.30</b>	<b>0.29</b>	<b>0.29</b>

**STATEMENT OF MANDATORY ACCOUNTING RATIOS****Annexure 30  
(Amt. in Lakhs)**

Particulars	As at			
	31.12.2018	31.03.2018	31.03.2017	31.03.2016
Net Worth (A)	3,210.75	220.97	157.36	117.44
EBITDA	862.17	82.47	71.81	64.79
Restated Profit after tax	772.80	63.61	39.92	35.41
Less: Prior period item	-	-	-	-
Adjusted Profit after Tax (B)	772.80	63.61	39.92	35.41
Number of Equity Share outstanding as on the End of Year/Period (C)	3.17	1.00	1.00	1.00
Weighted average no of Equity shares at the time of end of the year (D)	2.06	1.00	1.00	1.00
Current Assets (E)	2,094.52	121.25	65.67	64.20
Current Liabilities (F)	404.61	11.69	10.52	6.87
Face Value per Share	10.00	10.00	10.00	10.00
Restated Basic and Diluted Earning Per Share (Rs.) (B/D)	374.92	63.61	39.92	35.41
Return on Net worth (%) (B/A)	24.07%	28.79%	25.37%	30.15%
Net asset value per share (A/D) (Face Value of Rs. 10 Each)	1,012.42	220.97	157.36	117.44
Current Ratio (E/F)	5.18	10.37	6.24	9.34

**Note:**

1) The ratios have been computed as below:

(a) Basic earnings per share (Rs.) -: Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year

(b) Diluted earnings per share (Rs.) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS

(c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year

(d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including,

Securities Premium, General Reserve and surplus in statement of profit and loss).  
 4) The figures disclosed above are based on the standalone restated summary statements of the Group.  
 5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

## Annexure 31

## STATEMENT OF RELATED PARTY TRANSACTION

a)	Names of the related parties with whom transaction were carried out during the years and description of relationship:		
1)	Company/entity owned or significantly influenced by directors/ KMP/Partners		Pods Biotech Private Limited Pods Biotech India Private Limited Mamtha Speciality Food Private Limited Malnad Organics Private Limited Greens Natures Fresh Produce Pvt Ltd Mysore Livestock & Breeding Co. Pvt Ltd. Malnad Greentech Private Limited Taaza Tarkari Agro Private Limited Hoysala Speciality Foods India Private Limited Gulibande Integrators Private Limited Greens Natures Fresh Farm Pvt Ltd Greens Natures Fresh Farm Pvt Ltd
2)	Key Management Personnels/Directors:		Mr. Anil C* Krithi Raj Mr. Satish M Mr. Jagadeesh B Ms. Prathima K G Ms. Meenakshi G V
3)	Relative of Key Management Personnels/Director/Partners:		Nil

## 1. Transaction with Companies/Entity owned or Significantly influenced by Director/KMP

(Rs. in Lakhs)

Sr. No.	Nature of Transaction	Period/ Year ended			
		31.12.2018	31.03.2018	31.03.2017	31.03.2016
1	<b>**Loan Taken -</b>				
	Greens Farm Tech Pvt Ltd	33.01	-	-	-
	Greens Fresh Farms P Ltd	16.20	-	-	-
	Greens Natures Fresh Produce Pvt Ltd	28.94	-	-	-
	Greens Organics India Private Limited	17.11	-	-	-
	Mamatha Speciality Foods Pvt Ltd	14.12	-	-	-
	Maverick Ventures	1.69	-	-	-
	Mysore Live Stock Pvt Ltd	0.62	-	-	-
	Tierra Farm Assets Co Pvt Ltd	4.50	-	-	-

## 2. Transaction with Key Management Personnel/Directors

(Rs. in Lakhs)

Sr. No.	Nature of Transaction	Period/ Year ended			
		31.12.2018	31.03.2018	31.03.2017	31.03.2016
A	<b>Loan Repaid</b> Mr. Ramesh Gowda	4.39	-	74.00	-
B	<b>Loan Taken</b> Mr. Satish	28.06	-	-	-

\* The relationship considered is on the basis of common directorship of Mr. Anil C and there is no common shareholding (direct or indirect) between the Company and the relevant Related Party.

\*\* These loans are arised into the financials of the company a as result of acquisition of the group companies

STATEMENT OF CAPITALISATION		Annexure 32	
Particulars		Pre Issue	Post Issue
		31.12.2018	
<b>Debt</b>			
Short Term Debt		116.19	116.19
Long Term Debt		28.06	28.06
<b>Total Debt</b>		<b>144.25</b>	<b>144.25</b>
<b>Shareholders' Fund (Equity)</b>			
Share Capital		31.71	1,334.37
Reserves & Surplus		3,179.04	5,985.89
Less: Miscellaneous Expenses not w/off		-	-
<b>Total Shareholders' Fund (Equity)</b>		<b>3,210.75</b>	<b>7,320.26</b>
<b>Long Term Debt/Equity</b>		<b>0.01</b>	<b>0.00</b>
<b>Total Debt/Equity</b>		<b>0.04</b>	<b>0.02</b>
<b>Notes:</b>			
1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes instalment of term loans repayable within 12 months.			
2. Long term Debts represent debts other than Short term Debts as defined above but includes instalment of term loans repayable within 12 months grouped under other current liabilities			
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/12/2018.			
4. post Issue data of short term debts, long term, reserves and surplus are based on pre-issue figures.			

STATEMENT OF TAX SHELTER		Annexure 33 (Rs. in Lakhs)			
Particulars		As at			
		31.12.2018	31.03.2018	31.03.2017	31.03.2016
<b>A</b>	Profit before taxes as restated	798.11	63.61	39.92	34.49
	- Taxable at normal Rate	97.34	-	-	-
	- Taxable at special Rate	700.77	63.61	39.92	34.49
<b>B</b>	Normal Tax Rate Applicable %	26.00%	25.75%	25.75%	30.90%
	Special Tax Rate Applicable %	0.00%	0.00%	0.00%	0.00%
<b>C</b>	Tax Impact (A*B)	25.31	-	-	-
<b>Adjustments:</b>					
<b>D</b>	<b>Permanent Differences</b>				
	Donation	-	-	-	-
	Expenses Disallowed under Section 14A	-	-	-	-
	Interest on late payment of ESIC	-	-	-	-
	<b>Total Permanent Differences</b>	-	-	-	-
<b>E</b>	<b>Timing Difference</b>				
	Preliminary expense written off Allowable under section 35D				
	Difference in Depreciation	-	-	-	-
	Provision for Gratuity/Leave Encashment	16.30	2.49	-	-
	Disallowance under section 40a TDS not deducted	-	-	-	-
	<b>Total Timing Differences</b>	<b>16.30</b>	<b>2.49</b>	-	-
	<b>Unabsorbed Loss/ (Carried Forward Loss Set off)</b>	-	-	-	-
<b>F</b>	<b>Net Adjustment (F) = (D+E)</b>	<b>16.30</b>	<b>2.49</b>	-	-
<b>G</b>	<b>Tax Expenses/ (Saving) thereon (F*B)</b>	0.00	0.00	0.00	0.00
<b>H</b>	<b>Tax Liability, After Considering the effect of Adjustment (C +G)</b>	25.31	-	-	-
<b>I</b>	<b>Deferred Tax</b>	-	-	-	-
<b>J</b>	<b>Total Tax expenses (H+I)</b>	<b>25.31</b>	-	-	-
<b>Note:</b>					
1. The aforesaid statement of tax shelters has been prepared as per the restated summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax return respective years stated above.					

2. The figures for the period ended December 31, 2018 are based on the provisional computation of Total Income prepared by the Company.
3. The effect of Tax Shelter i.e. short/excess provision for Income Tax has not been given effect in Annexure II - Restated Statement of Profit and Loss account. Provision for Income Tax given in Annexure II is based on the Income Tax Return/Audited Financial Statement only.
4. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**RESTATED SUMMARY STATEMENT OF CONTINGENT LIABILITIES** **Annexure 34**  
**(Amt. in Lakhs)**

Particulars	As at			
	31.12.2018	31.03.2018	31.03.2017	31.03.2016
<b>Contingent liabilities in respect of:</b>				
Claims against the company not acknowledged as debts	-	-	-	-
Guarantees given on Behalf of the Directors loan	-	-	-	-
Guarantees given on Behalf of the Subsidiary Company	-	-	-	-
Other moneys for which the company is contingently liable	-	-	-	-
Income tax Outstanding Demand	-	-	-	-
TDS Defaults	-	-	-	-
<b>Commitments (to the extent not provided for)</b>				
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
Uncalled liability on shares and other investments partly paid	-	-	-	-
Other commitments	-	-	-	-
<b>Total</b>	-	-	-	-

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**RESTATED STATEMENT OF SEGMENT RESULTS** **Annexure 35**  
**(Amt. in Lakhs)**

Sr. No.	Particulars	Period Ended 31.12.2018						Consolidated
		Exports - Fresh Produce - F & V Segment	Deemed Exports - Fresh Produce - F & V Segement	Domestic - Fresh Produce - F & V - Horeca	Domestic - Fresh Produce - F & V - Retail	Processing - Processed food		
1	Sales :	Agri	Agri	Agri	Agri	Agri	Food	
	Domestic	-	-	726.30	349.97	199.89	386.83	1662.99
	Export	508.43	900.41	0.00	0.00	0.00	0.00	1408.84
	External Sales	508.43	900.41	726.30	349.97	199.89	386.83	<b>3071.83</b>
	Inter Segment Sales	-	-	-	-	-	-	-
	<b>Total Segment Revenue</b>	508.43	900.41	726.30	349.97	199.89	386.83	3071.83
2	<b>Segment Results</b>							
	Operating Expense from Segments	370.8	679.07	534.68	257.64	137.86	289.49	2269.54
	<b>Total Profit Before Tax and finance cost</b>	<b>137.63</b>	<b>221.34</b>	<b>191.62</b>	<b>92.33</b>	<b>62.03</b>	<b>97.34</b>	<b>802.29</b>
	Less: (i) Other Un-allocable Expenditure Net off Un-allocable income							4.18
	<b>Profit Before Tax</b>	<b>137.63</b>	<b>221.34</b>	<b>191.62</b>	<b>92.33</b>	<b>62.03</b>	<b>97.34</b>	<b>798.11</b>
3	<b>Segment Assets &amp; Liabilities</b>							
3(i)	<b>Segment Assets</b>							
	Fixed Assets	676.63	535.25	177.24	85.41		92.73	1567.26
	Net Current Assets	728.89	576.59	190.94	92.00		99.89	1688.31
	<b>Segment Assets</b>	<b>1405.52</b>	<b>1111.84</b>	<b>368.18</b>	<b>177.41</b>		<b>192.62</b>	<b>3255.58</b>
	Unallocated & Corporate Assets							0.00
	<b>Total Assets</b>							<b>3255.58</b>
3(ii)	Segment Liabilities							
	Unallocated & Corporate Liabilities							3255.58
	<b>Total Liabilities</b>							<b>3255.58</b>

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**FINANCIAL INDEBTEDNESS**

There is no outstanding Secured Loans against and by our Company.

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

*You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements which is included in this Draft Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Financial Statements, as restated for period ended December 31, 2018 and for the years ended March 31, 2018, 2017 and 2016 including the related notes and reports, included in this Draft Prospectus is prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited statutory financial statements. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under sections titled “Risk Factors” and “Forward Looking Statements” beginning on pages 16 and 11 respectively of this Draft Prospectus.*

*Our FY ends on March 31 of each year. Accordingly, all references to a particular FY are to the 12 months ended March 31 of that year.*

### **Business Overview**

The Company was incorporate on 30<sup>th</sup> January, 2009. Since inception our Group were into the business of growing and exporting of fresh exotics English vegetables to European market using imported Green Houses. We were operating our Business from our Company and our Group Companies Malnad Plantations (mainly into producing, marketing, selling and exporting of coffee & other plantation products and management of coffee estate and plantation land), Greens Nature's Fresh Farms Private Limited (Mainly into farming, sale of Agricultural products and Exports), Greens Natures Fresh Produce Private Limited (mainly into farming and sale of Agricultural products. The Company inter-alia is engaged in farm plantation, processing, logistics and deemed exports of vegetables including exotics and English vegetables and fruits) and Mamatha Speciality Foods Private Limited (mainly into processing and sale of Readymade packaged and processed food products). Earlier Exports were done from our Group Company Greens Nature's Fresh Farms Private Limited and deemed export from Greens Natures Fresh Produce Private Limited.

From 1<sup>st</sup> April 2018 all the business of Group Companies have been consolidated in our Company Greens Food Crafts India Ltd and all the business and exports activities are undertaken from our company. Our company was founded with an intent to supply “World Class Fresh Agricultural Produce” to the overseas markets. We have been able to establish ourselves as player in the niche export markets. Having gained entry into the European market with our premium quality of products and consistency in supply, we have gained a reputation among the buyers as an exporter with consistent quality and on time delivery, a feat few in the Indian Fresh Export Produce Industry can achieve.

Our production units are located within Karnataka to take complete advantage of availability of natural resources and logistically convenient. The locations were chosen first for availability of water and skilled labour, a must have for an agri business. Necessary soil and water tests were done to check compatibility of the soil for horticulture crops and then the locations were finalised. The salubrious climate has proven to be an advantage as crop quality, colour is the best in class in the industry,

With being one of largest greenhouse grower under imported green house, each unit is well established with imported green houses and Post - Harvest cold chain facilities. The green houses have been specifically designed keeping the climatic conditions in mind and are made to order. The green houses are manufactured from galvanised Iron which guarantees long life of the green house and quality is not compromised. The structure needs minimal maintenance, the SOP for which is incorporated into everyday operations.

All facilities are Global Gap Certified. GLOBALG.A.P. is an internationally recognized set of farm standards dedicated to Good Agricultural Practices (GAP). Through certification, producers demonstrate their adherence to GLOBALG.A.P standards. These GAP codes, programmes or standards exist because of growing concerns about food quality and safely worldwide. Their purpose varies from fulfilment of trade and government regulatory requirements, in particular with regard to food safety and quality, to more specific requirements of specially or niche markets. Their objectives range from ensuring safely and quality of produce in the food chain; capturing new market advantages by modifying supply chain governance; improving natural resources use, workers' health and working conditions to creating new market opportunities for farmers and exporters in developing countries. The benefits of GAP codes, standards and regulations are numerous, including food



quality and safety improvement; facilitation of market access and reduction in non-compliance risks regarding permitted pesticides, MRLs and other contamination hazards.

Our Pack House is also APEDA (Agricultural & Processed Food Exports Development Authority) certified. APEDA certified pack house are a necessity for exports into all European Markets.

The Post-harvest facility at each unit has been designed in a uni-directional manner, where the raw material is received at one end and after being cleaned and processed is moved out from another point. This is done primarily to avoid cross contamination and to maintain hygiene in the process. The workers are provided with necessary work clothes, so that hygiene is maintained. The products are packed as per individual client requirement.

We believe that we are having well integrated back end operations in terms of strong farm linkages with growers, ensuring continuity of supplies of fresh produce, a young and ready to learn team and to having a presence in the front end markets with its linkages to the Export markets, HoReCa segment, Retail sector & food processing sector are all factors which make us a formidable player in this robust and dynamic Agri business sector.

The post-harvest facility typically houses 2 separate cooling chambers, for pre-cooling & post cooling of the produce. The cooling systems have been installed which have the capacity to cool down and bring down the inherent temperature of the harvested material in the shortest possible time without causing damage to the material. Efficient pre & post cooling facilities enhance shelf-life of the produce.

All units have 24 hour power line connections which support the entire operations efficiently. In addition, high capacity backup generator systems have been installed to support power outages. The irrigation systems for each of our units are completely automated and designed to minimise time spent on the activity. Factor of deviation and error is also minimised with these systems. Our own refrigerated trucks ensure that cold chain of the product is not disturbed from harvest till it reaches the safe environs of our centralised processing unit located nearest to the airport. International airport which has a modern and well planned cold storages for handling perishable exports.

We believe that we are only Indian company with a presence across the complete value chain which is imperative for the success and growth of our Company in this budding sector and that 80% of our field staff consists of women and that we have been able to support and employ women from rural sectors, providing stability and support to them.

In the recent years, with the stupendous growth in the Indian Retail sector with growing consumer spending power, a growing middle class and increase spend in fruits & vegetables, it is a step in the right direction for us to enter the retail space. Having a retail presence enhances our profitability, establishes our credibility as a serious player and the future that we see in this sector

We believe our operational expertise, in depth industry knowledge across the spectrum and systematic approach will help us react to quickly and lap up business opportunities in the agri business sector. Our foray into branded & processed food is also to establish our presence in the retail food & agri space and to optimise operations across all our verticals. It is a sector that has key policy support from the government & potential for growth especially after 100% FDI in this sector has been allowed

The natural progression was involvement with the HoReCa Segment & branching out into a aggregator/distributor. To service the HoReCa segment and to supplement volumes which were needed on a daily basis, aggregation and contract farming came about. Our Strength being – well integrated back end operations in terms of strong farm linkages with growers, in house logistics & QC which ensures continuity of supplies of fresh produce at competitive prices with on time delivery.

**The export business has won several awards from FKCCI (Federation of Karnataka Chambers of Commerce & Industry) as well.**

#### **Significant developments subsequent to the last financial year**

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

For details of loan, kindly refer Financial Indebtedness on Page no.157 of this Draft Prospectus. For details of KMPs, refer our Management on Page no.111 of this Draft Prospectus.

### Factors affecting our results of operations

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

- Company's ability to successfully implement our growth strategy;
- Political Stability of the Country;

### Discussion on Results of Operation

The following discussion on results of operations should be read in conjunction with the Restated Financial Results of our Company for the years ended March 31, 2016, 2017 and 2018 and Restated Financial Statement as on December 31, 2018.

### RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

For details kindly refer section titled "*Financial Information*" on page 133 of this Draft Prospectus.

### Our Significant Accounting Policies

For Significant accounting policies please refer Significant Accounting Policies beginning under section titled "*Financial Statements as Restated*" beginning on page no. 133 of this Draft Prospectus.

### Overview of revenue and expenditure Revenue and Expenditure

Total Revenue: Our total revenue comprises of revenue from operations and other income.

Revenue from operations: Revenue from sale of goods is recognized on the transfer of title in the goods which generally coincides with dispatch and is stated net of discounts and sales tax.

Other Income: Other income is accounted for on accrual basis in accordance with Accounting Standards (AS) 9- "Revenue Recognition.

Expenses: Our expenses comprise of Purchase of Traded Goods, changes in inventory of stock in trade, employee benefit expenses, Finance cost, Depreciation and amortisation expenses and other expenses.

Purchase of Traded Goods mainly comprises of material purchased.

Changes in inventory of stock in trade consist of change in our inventory of stock in trade as at the beginning and end of the year.

Our employee benefit expense consists of salary, wages & bonus, director's remuneration, contribution to P.F & other funds, workmen & staff welfare expenses and provision for gratuity.

Our finance costs comprises of interest on working capital bank finance, interest on vehicle finance, interest on unsecured loans and bank charges & commission.

Depreciation and amortisation expenses: Tangible and intangible assets are depreciated over periods corresponding to their estimated useful lives. Depreciation includes depreciation charged on tangible and intangible assets.

Other expenses: Other expenses mainly include business promotion Expenses, repairs & maintenance, consultancy charges, electricity expenses, office expenses, travelling and conveyance, statutory payments etc.

Sr No.	Particulars	As at Dec 31, 2018	% of total Income	For the year ended March 31,					
				2018	% of total Income	2017	% of total Income	2016	% of total Income
I.	Revenue from operations	3,071.83	99.61%	466.26	100.00%	224.71	100.00%	190.59	100.00%
II.	Other income	12.15	0.39%	-	-	-	-	-	-
<b>III.</b>	<b>Total Revenue (I + II)</b>	<b>3,083.98</b>	<b>100.00%</b>	<b>466.26</b>	<b>100.00%</b>	<b>224.71</b>	<b>100.00%</b>	<b>190.59</b>	<b>100.00%</b>
IV.	<b>Expenses:</b>								
	Farming & Other Direct Expenses	1,901.70	61.66%	299.58	64.25%	132.34	58.89%	112.24	58.89%
	Changes in Inventories of stock-in-trade	(318.74)	-10.34%	14.17	3.04%	(4.03)	-1.79%	(8.09)	-4.24%
	Employee Benefit Expenses	211.38	6.85%	30.02	6.44%	12.31	5.48%	11.19	5.87%
	Finance costs	0.03	0.00%	-	-	-	-	-	-
	Depreciation and amortization expense	64.03	2.08%	18.86	4.04%	31.89	14.19%	30.30	15.90%
	Other expenses	427.47	13.86%	40.02	8.58%	12.28	5.46%	10.46	5.49%
	<b>Total expenses</b>	<b>2,285.87</b>	<b>74.12%</b>	<b>402.65</b>	<b>86.36%</b>	<b>184.79</b>	<b>82.23%</b>	<b>156.10</b>	<b>81.90%</b>
V.	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>	<b>798.11</b>	<b>25.88%</b>	<b>63.61</b>	<b>13.64%</b>	<b>39.92</b>	<b>17.77%</b>	<b>34.49</b>	<b>18.10%</b>
VI.	Exceptional items	-	-	-	-	-	-	(0.92)	-0.48%
VII.	<b>Profit before extraordinary items and tax (V - VI)</b>	<b>798.11</b>	<b>25.88%</b>	<b>63.61</b>	<b>13.64%</b>	<b>39.92</b>	<b>17.77%</b>	<b>35.41</b>	<b>18.58%</b>
VIII.	Extraordinary Items-	-	-	-	-	-	-	-	-
IX.	<b>Profit before tax (VII- VIII)</b>	<b>798.11</b>	<b>25.88%</b>	<b>63.61</b>	<b>13.64%</b>	<b>39.92</b>	<b>17.77%</b>	<b>35.41</b>	<b>18.58%</b>
X.	Tax expense:								
	(1) Current tax	25.31	0.82%	-	-	-	-	-	-
	(2) Short/(Excess) Provision of Earlier Year	-	-	-	-	-	-	-	-
	(3) Deferred tax	-	-	-	-	-	-	-	-
XI.	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>	<b>772.80</b>	<b>25.06%</b>	<b>63.61</b>	<b>13.64%</b>	<b>39.92</b>	<b>17.77%</b>	<b>35.41</b>	<b>18.58%</b>
XII.	Profit/(loss) from discontinuing operations	-	-	-	-	-	-	-	-
XIII.	Tax expense of discontinuing operations	-	-	-	-	-	-	-	-
XIV.	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	-	-	-	-	-	-	-	-
XV.	<b>Profit (Loss) for the period (XI + XIV)</b>	<b>772.80</b>	<b>25.06%</b>	<b>63.61</b>	<b>13.64%</b>	<b>39.92</b>	<b>17.77%</b>	<b>35.41</b>	<b>18.58%</b>

### **FINANCIAL PERFORMANCE HIGHLIGHTS FOR THE PERIOD ENDED 31<sup>st</sup> DECEMBER, 2018**

**Total Revenue:** Our Company's total revenue during the period ended December 31, 2018 was ₹ 3083.94 Lacs. The revenue from operations was ₹ 3071.83 Lacs which comprised 99.61% of company's total income for the period ended December 31, 2018. The increase in turnover was mainly due to four other group Companies/Firm which has been taken over by our company i.e. Greens Food Crafts India Limited on a slump sale basis and as a going concern with effect from 01<sup>st</sup> Day of April 2018 vide business transfer agreement with respective companies/Firms.

**Total Expenses:** The total expenditure during the year ended December 31, 2018 was ₹ 2285.87 Lacs. The total expenditure represents 74.12% of the total revenue. The total expenses are represented by Farming & Other Direct Expenses, Change in Inventories of stock-in trade, Employee Benefits Expense, Finance Cost, Depreciation and Amortization Expense and other expenses etc. The main constituent of total expenditure is Farming & Other Direct Expenses, which is ₹ 1901.70 Lacs.

**Profit/ (Loss) after tax:** The restated net profit during the year ended December 31, 2018 was ₹ 772.80 Lacs representing 25.06 % of the total revenue of our Company.

### **COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2018 WITH FISCAL 2017**

**Total Revenue:** During the FY 2017-18 the total revenue of the company increased to ₹ 466.26 Lacs as against ₹ 224.71 Lacs in the FY 2016-17, representing an increase of 107.49 % from previous year. This increase was mainly due to increase in revenue from operations and other income.

**Other Income:** Other income of the Company for the FY 2017-18 was NIL in comparison with NIL for FY 2016-17.

**Total Expenses:** The total expenditure for the FY 2017-18 increased to ₹ 402.65 Lacs from ₹ 184.79 Lacs, representing increase of 117.90 % from the FY 2016-17. This increase was mainly due to increase in operation resulting into increase in farming and other direct expenses.

**Farming & Other Direct Expenses:** Farming & Other Direct Expenses for the FY 2017-2018 has increased to ₹ 299.58 Lacs from ₹ 132.34 Lacs representing increase of 126.37 % from FY 2016-2017. Farming & Other Direct Expenses is increased due to increase in business.

**Change in Inventories of stock-in trade:** The inventories for the FY 2017-2018 have been increased to ₹ 14.17 Lacs from ₹ -4.03 lacs representing decrease by - 451.61 % from FY 2016-2017

**Employee Benefits Expenses:** The Employee Benefits Expense for the FY 2017-2018 have been increased to ₹30.02 Lacs from ₹ 12.31 Lacs representing increase by 143.87% from FY 2016-2017 due to increase in remuneration.

**Finance Expenses:** The finance expense of the Company for the FY 2017-18 was NIL in comparison with NIL for FY 2016-17.

**Depreciation and Amortization Expense:** The Depreciation and Amortization Expense for FY 2017-18 has been decreased to ₹. 18.86 Lacs from ₹ 31.89 Lacs representing increase by 40.86% from FY 2016-2017.

**Other Expenses:** The Other Expenses for FY 2017-18 has been increased to ₹. 40.02 Lacs from ₹ 12.28 Lacs representing increase by 225.90 % from FY 2016-2017. Other Expenses have increases mainly due Rates & Taxes, Freight Outward, and Consultancy Charges etc

**Profit/ (Loss) Before Tax:** Profit before and Tax for FY 2017-18 has been increased to ₹. 63.61 Lacs from ₹ 39.92 Lacs representing increase by 59.34 % from FY 2016-2017. Profit before and Tax has increase due to comparative increase in revenue than expenses.

**Profit/ (Loss) After Tax:** Profit after Tax for FY 2017-18 has been increased to ₹. 63.61 Lacs from ₹ 39.92 Lacs representing increase by 59.34 % from FY 2016-2017. Profit after Tax has increased due to comparative increase in revenue than expenses.

### **COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2017 WITH FISCAL 2016**

**Total Revenue:** During the FY 2016-17 the total revenue of the company increased to ₹ 224.71 Lacs as against ₹ 190.59 Lacs in the FY 2015-16, representing an increase of 17.90 % of the total revenue. This increase was mainly due to sale of products

**Other Income:** Other income of the Company for the FY 2016-17 was ₹ NIL in comparison with ₹ NIL for FY 2015-16.

**Total Expenses:** The total expenditure for the FY 2016-17 increased to ₹ 184.79 Lacs from ₹ 156.10 Lacs, representing a decrease of 18.39 % from the FY 2015-16.

**Farming & other Direct expenses:** Farming & other Direct expenses for the FY 2016-2017 has increased to ₹ 132.34 Lacs from ₹ 112.24 Lacs representing increase of 17.91 % from FY 2015-2016.

**Change in Inventories of stock-in trade:** The inventories for the FY 2016-2017 have been increased to ₹-4.03 Lacs from ₹ -8.09 lacs representing increase by -50.19% from FY 2015-2016.

**Employee Benefits Expense:** The Employee Benefits Expense for the FY 2016-2017 has been increased by ₹ 12.31 Lacs from ₹ 11.19 representing increase by 10.01 % from FY 2015-2016. Increase is due to remuneration.

**Depreciation and Amortization Expense:** The Depreciation and Amortization Expense for FY 2016-17 has been increased to ₹. 31.89 Lacs from ₹ 30.30 Lacs representing increase by 5.25 % from FY 2015-2016.

**Other Expense:** The Other Expense for FY 2016-17 has been increased to ₹. 12.28 Lacs from ₹ 10.46 Lacs representing increase by 17.40 % from FY 2015-2016. Other Expenses have increased mainly due Rates & Taxes, Freight Outward, and Consultancy Charges etc.

**Profit/ (Loss) Before Tax:** Profit before and Tax for FY 2016-17 has been increased to ₹. 39.92 Lacs from ₹ 34.49 Lacs from FY 2015-2016. Profit before and Tax has increase due to comparative increase in revenue than expenses.

**Profit/ (Loss) After Tax:** Profit after Tax for FY 2016-17 has been increased to ₹. 39.92 Lacs from ₹ 35.41 Lacs from FY 2015-16. Profit after Tax has increased due to comparative increase in revenue than expenses

#### **Related Party Transactions**

For further information please refer to the section titled “*Financial Statements as Restated*” on page 133 of this Draft Prospectus.

#### **Financial Market Risks**

We are exposed to financial market risks from changes in borrowing costs, interest rates and inflation.

#### **Interest Rate Risk**

As on today we do have interest bearing borrowing from Bank/Financial Institutions/persons and any rise in future borrowings may increase the risk.

#### **Effect of Inflation**

We are affected by inflation as it has an impact on the operating cost, staff costs etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

#### **FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS:**

##### **1. Unusual or infrequent events or transactions**

There are no transactions or events, which in our best judgement, would be considered unusual or infrequent that have significantly affected operations of the Company.

##### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations**

There are no significant economic changes that materially affected Company’s operations or are likely to affect income from continuing operations. Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business including the future financial performance, shareholders’ funds and ability to implement strategy and the price of the Equity Shares.

##### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

Other than as disclosed in the section titled “*Risk Factors*” beginning on page 16 of this Draft Prospectus as mentioned below to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

1. General economic and business conditions in India;
2. Disruption in our manufacturing facilities.
3. Company's ability to successfully implement its growth strategy and expansion plans.
4. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
5. Inability to successfully obtain registrations in a timely manner or at all;
6. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
7. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
8. Changes in laws and regulations relating to the industries in which we operate;
9. Effect of lack of infrastructure facilities on our business;
10. Occurrence of Environmental Problems & Uninsured Losses;
11. Intensified competition in industries/sector in which we operate;
12. Our ability to attract, retain and manage qualified personnel;
13. Failure to adapt to the changing technology in textiles industry may adversely affect our business and financial condition;
14. 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;
15. Conflicts of interest with affiliated companies, the promoter group and other related parties;
16. Any adverse outcome in the legal proceedings in which we are involved;
17. Our ability to expand our geographical area of operation;
18. Concentration of ownership among our Promoters.

**4. Future changes in relationship between costs and revenues in case of events such as future increase in labour or material cost or prices that will cause material change**

According to our knowledge, there are no future relationship between cost and income that would be expected to have a material adverse impact on our operations and revenues. However, increase in the cost of the goods in which the Company deals, will affect the profitability of the Company. Further, the Company may not be able to pass on the increase in prices of the services to the customers in full and this can be offset through cost reduction.

**5. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices**

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

**6. Total turnover of each major industry segment in which the issuer company operates**

Relevant industry data, as available, has been included in the section titled "*Our Industry*" beginning on page 72 of this Draft Prospectus.

**7. The extent to which business is seasonal**

Our Company's business is seasonal. However the business of the company depends upon the Growth potential of the economy and growth of the country.

**8. New Product or Business Segment**

We do not intend to enter into any new business segment

**9. Any significant dependence on a single or few suppliers or customers**

The % of Contribution of our Company's customer and supplier vis-a-vis the total revenue from operations and purchase respectively as on December 31, 2018 is as follows:

Particulars	Customers	Suppliers
Top 10 (%)	63.32%	54.79%

**10. Competitive conditions**

Competitive conditions are as described under the section titled "*Our Business*" beginning on page no. 80 of this Draft

Prospectus.

**11. Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues or repayment of debentures or repayment of deposits or repayment of loans from any bank or financial institution during the last three financial year.**

There are no defaults, in repayment of statutory dues or repayment of debentures or repayment of deposits or repayment of loans from any bank or financial institution during the last three financial years.

**Material Frauds**

There are no material frauds committed against our Company, in the last three financials year

## SECTION X: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions or proceedings against our Company, our Directors, our Promoters and Entities Promoted by our Promoters before any judicial, quasi-judicial, arbitral or administrative tribunals or any disputes, tax liabilities, non-payment of statutory dues, over dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues towards instrument holders like debenture holders, fixed deposits, defaults in creation of full security as per terms of issue/ other liabilities, proceedings initiated for economic/ civil/ any other offences (including past cases where penalties may or may not have been imposed and irrespective of whether they are specified under paragraph (i) of Part I of Schedule XIII of the Companies Act, 1956 and/or paragraph (i) of Part I of Schedule V of the Companies Act, 2013) against our Company, our Directors, our Promoters and the Entities Promoted by our Promoters, except the following:*

*Further, except as stated herein, there are no past cases in which penalties have been imposed on our Company, the Promoters, directors, Promoter Group companies and there is no outstanding litigation against any other company whose outcome could have a material adverse effect on the position of our Company. Neither our Company nor its Promoters, members of the Promoter Group, Subsidiaries, associates and Directors have been declared as willful defaulters by the RBI or any other Governmental authority and, except as disclosed in this section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them.*

*Further, apart from those as stated below, there are no show-cause notices / claims served on the Company, its Promoters, its Directors or it's Group Companies from any statutory authority / revenue authority that would have a material adverse effect on our business.*

Unless stated to the contrary, the information provided below is as of the date of this draft prospectus.

#### A. LITIGATION INVOLVING OUR COMPANY

##### 1. Litigation against our Company

###### 1.1. Civil Matters: NIL

1.2. **Criminal Matters:** A criminal complaint was filed with the Addl. Civil Judge (Sr. Dn) & CJM Court, Belur, Hassan District against our Company and the Managers and Managing Director of our Company one by Mr. Rangaswamy. P Assistant executive engineer Karnataka Neeravari Nigam alleging that company is using water from the Yagachi water reservoir for their business purpose. Next Hearing date is on 19<sup>th</sup> Aug, 2019.

###### 1.3. Direct Tax Proceedings:

Sr. No.	Particulars	A.Y.
1	Our Company has an outstanding liability of Rs. 65,250/- towards tax and interest thereon assessed under Section 143 (1) (a) of the IT Act.	2011-12
2	Our Company has an outstanding liability of Rs. 960/- towards tax and interest thereon assessed under Section 143 (1) (a) of the IT Act.	2014-15
3	Our Company has an outstanding liability of Rs. 15,040/- towards tax and interest thereon assessed under Section 143 (1) (a) of the IT Act.	2016-17

###### 1.4. Indirect Tax Proceedings: NIL

##### 2. Litigation by our Company

###### 2.1. Civil Matters: NIL

###### 2.2. Criminal Matters: NIL

###### 2.3. Taxation Matters:

2.3.1. **Direct Tax Proceedings:** NIL

2.3.2. **Indirect Tax Proceedings:** NIL



## B. LITIGATION INVOLVING THE DIRECTORS

### 1. Litigation against our Directors

#### 1.1. Civil Matters: NIL

#### 1.2. Criminal Matters: NIL

#### 1.3. Taxation Matters:

##### 1.3.1. Direct Tax Proceedings against our Director Mr Anil Chennalinge Gowda

Sr. No.	Particulars	A.Y.	Status
1	Pursuant to an appeal filed by Anil C, ITAT, Bangalore has by an order dated January 7, 2019 partly allowed the appeal by allowing 50% of the income of Rs. 29,32,653/- declared as agricultural income.  CIT(A) -10, Bengaluru has by an order dated February 2, 2018 has dismissed the appeal filed by Mr. Anil Chennalinge Gowda on the grounds that Rs. 29,32,653/- declared as agricultural income affirming the AO's order dated January 22, 2018.	2014-15	No further development in the matter.
2	Penalty of Rs.4,35,888/- notice dated December 30, 2016 under section 271(1) (c) of the IT Act	2014-15	The proceedings is pending for disposal of appeal and awaiting for the revised order.
3	AO has by an order dated December 26, 2017 has disallowed an Income amounting to Rs. 62,67,490/- under section 68 of the IT Act. The Total Tax Liability under which including interest and penal interest is Rs.24,25,880/-	2015-16	Mr. Anil Chennalinge Gowda has on February 15, 2018 filed an appeal before CIT(A) against the AO's Order dated December 26, 2017 which is pending.

##### 1.3.2. Indirect Tax Proceedings: NIL

### 2. Litigation by our Directors:

#### 2.1. Civil Matters: NIL

#### 2.2. Criminal Matters: NIL

#### 2.3. Taxation Matters:

##### 2.3.1 Direct Tax Proceedings: NIL

##### 2.3.2 Indirect Tax Proceedings: NIL

#### 2.4. Other Matters:

Mr. Anil Chennalinge Gowda had been disqualified from being a director for the period of November 1, 2016 to October 31, 2021 in PODS BIOTECH PVT.LTD. (Status: Active) & TAAZA TARKARI AGRO PVT.LTD (Status: Struck Off) for violation of section 164(2)(a) of the Companies Act, 2013 and for the period of November 1, 2015 to October 31, 2020 in PODS BIOTECH PVT.LTD. (Status: Active) MALNAD GREENTECH PVT.LTD. (Status: Active) and PODS BIOTECH (INDIA) PVT.LTD. (Status: Active) for violation of section 164(2)(a) of the Companies Act, 2013. The Companies with the "Status: Active" had filed an application under the Condonation of Delay Scheme, 2018 and filed necessary returns and forms with ROC. Mr. Anil C Gowda has filed a Writ Petition No. 56201/2018 with the Hon'ble High Court of Karnataka at Bangalore under against his Disqualification from Directorship, the Hon'ble High Court has vide its Interim Order dated 17<sup>th</sup> December, 2018 has granted interim stay on the stated disqualification. As on date the DIN of Mr. Anil Chennalinge Gowda is Active.

## C. LITIGATION INVOLVING OUR PROMOTERS

### 1. Litigation against Promoters

1.1. Civil Matters: NIL

1.2. Criminal Matters: NIL

1.3. Taxation Matters:

1.3.1. Direct Tax Proceedings:

**Mr. Anil Chennalinge Gowda**

Sr. No.	Particulars	A.Y.	Status
1	CIT(A) -10, Bengaluru has by an order dated February 2, 2018 has dismissed the appeal filed by Mr. Anil Chennalinge Gowda on January 28, 2017 on the grounds that Rs. 29,32,653/- declared as agricultural income affirming the AO's order dated January 22, 2018.  Pursuant to an appeal filed by Anil C, ITAT, Bangalore has by an order dated January 7, 2019 partly allowed the appeal by allowing 50% of the income of Rs. 29,32,653/- declared as agricultural income.	2014-15	No further development in the matter.
2	Penalty of Rs.4,35,888/- notice dated December 30, 2016 under section 271(1) (c) of the IT Act	2014-15	The proceedings is pending for disposal of appeal and awaiting for the revised order
3	AO has by an order dated December 26, 2017 has disallowed an Income amounting to Rs. 62,67,490/- under section 68 of the IT Act. The Total Tax Liability under which including interest and penal interest is Rs.24,25,880/-	2015-16	Mr. Anil Chennalinge Gowda has on February 15, 2018 filed an appeal before CIT(A) against the AO's Order dated December 26, 2017 which is pending.P2F

1.3.2. Indirect Tax Proceedings: NIL

### 2. Litigation by Promoters

2.1. Civil Matters: NIL

2.2. Criminal Matters: NIL

2.3. Taxation Matters:

2.3.1. Direct Tax Proceedings: NIL

2.3.2. Indirect Tax Proceedings: NIL

### 2.4. Other Matters:

Mr. Anil Chennalinge Gowda had been disqualified from being a director for the period of November 1, 2016 to October 31, 2021 in PODS BIOTECH PVT.LTD. (Status: Active) & TAAZA TARKARI AGRO PVT.LTD (Status: Struck Off) for violation of section 164(2)(a) of the Companies Act, 2013 and for the period of November 1, 2015 to October 31, 2020 in PODS BIOTECH PVT.LTD. (Status: Active) MALNAD GREENTECH PVT.LTD. (Status: Active) and PODS BIOTECH (INDIA) PVT.LTD. (Status: Active) for violation of section 164(2)(a) of the Companies Act, 2013. The Companies with the "Status: Active" had filed an application under the Condonation of Delay Scheme, 2018 and filed necessary returns and forms with ROC. Mr. Anil C Gowda has filed a Writ Petition No. 56201/2018 with the Hon'ble High Court of Karnataka at Bangalore under against his Disqualification from Directorship, the Hon'ble High Court has vide its Interim Order dated 17<sup>th</sup> December, 2018 has granted interim stay on the stated disqualification. As on date the DIN of Mr. Anil Chennalinge Gowda is Active.

#### **PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES**

There are no proceedings initiated against our Company for any economic offences.

#### **NON-PAYMENT OF STATUTORY DUES**

Other than cases disclosed above, our Company has no outstanding defaults in relation to statutory dues consisting of service tax, value added tax, professional tax, employee state insurance, provident fund and tax deducted, dues payable to holders of any debentures (including interest) or dues in respect of deposits (including interest) or any defaults in repayment of loans from any bank or financial institution (including interest).

#### **PAST CASES WHERE PENALTIES WERE IMPOSED**

There are no past cases where penalties were imposed on our Company by concerned authorities/courts.

#### **POTENTIAL LITIGATION INVOLVING OUR COMPANY**

As on the date of this Draft Prospectus, there is no potential litigation proceeding against our Company.

#### **OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

As on the date of this Draft Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

#### **OUTSTANDING DUES TO CREDITORS**

As per the Materiality Policy, our Board has approved the following:

in view of the nature and extent of outstanding dues of the Company and the nature and extent of the business operations undertaken by the Company, the dues owed by the Company to the small scale undertakings and other creditors exceeding 5% of the Company's consolidated trade payables for the last audited financial statements shall be considered as material dues for the Company.

Below are the details of the Creditors where outstanding amount as on December 31, 2018:

Name	Balance as on December 31, 2018
Total Outstanding dues to Micro and Small & Medium Enterprises	NIL
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	₹ 188.10 Lakhs

The details pertaining to net outstanding due by our Company towards small scale undertakings, material dues to creditors and other dues to creditors separately as per the Restated Financial Statements for the most recent financial year are available on the website of our Company. It is clarified that such details available on our Company's website do not form a part of this Draft Prospectus. Anyone placing reliance on any source of information including our Company's website would be doing so at their own risk.

#### **DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

None of our Company, our Promoters and our Directors is or has been classified as a wilful defaulter by a bank or financial institution or a consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.

#### **MATERIAL DEVELOPMENTS**

Except as disclosed in the chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 158 of this Draft Prospectus, in the opinion of our Board, there have not arisen, since December 31, 2018, any circumstances that materially or adversely affect or are likely to affect our profitability or the value of our consolidated assets or our ability to pay material liabilities within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary consents, licenses, registrations, permissions and approvals from the Government of India and various governmental agencies required to undertake this Issue and carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals and licenses are valid as of the date of this Draft Prospectus and in case of licenses and approvals which have expired; we have either made application for renewal or are in the process of making an application for renewal. In order to operate our business, we require various approvals and/or licenses under various laws, rules and regulations.

The main objects clause of our Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities.

In view of the approvals listed below, the Company can undertake this Issue and its current business activities and no further major approvals from any governmental or regulatory authority except proposed activities of Company or any other entity are required to undertake the Issue or continue its business activities.

Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities.

### 1. COMPANY RELATED APPROVALS

Sr. No.	Authorization Granted	Issuing Authority	Registration No:/ Reference No:/ License No:	Date of Issue/Date of Renewal	Valid up to
1.	Certificate of Incorporation as 'Greens Processed Herbs Private Limited'	Registrar of Companies, Bangalore, Karnataka	U01403KA2009PTC049012	January 30, 2009	Valid until cancelled
2.	Fresh Certificate of Incorporation consequent upon change of name to "Greens Food Crafts India Private Limited"	Registrar of Companies, Karnataka, Bangalore	U01403KA2009PTC049012	May 15, 2013	Valid until cancelled
3.	Fresh Certificate of Incorporation consequent upon change of name to "Greens Food Crafts India Limited" on conversion to public limited	Registrar of Companies, Karnataka, Bangalore	U01403KA2009PTC049012	April 29, 2019	Valid until cancelled

### 2. APPROVALS FOR THE ISSUE

- The Board of Directors has, pursuant to a resolution passed at its meeting held on May 25, 2019 authorized the Issue subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary.
- The shareholders of the Company have, pursuant to a resolution dated June 04, 2019 passed in the EGM under Section 62(1)(c) of the Companies Act, 2013 authorized the Issue.
- The Company has obtained in-principle listing approval from BSE dated [●].
- The Company has entered into an agreement dated [●] with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent for the dematerialization of its shares.
- Similarly, the Company has also entered into an agreement dated February 08, 2019 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, for the dematerialization of its shares.
- The Company's International Securities Identification Number ("ISIN") is [●].

### 3. BUSINESS RELATED APPROVALS

Sr. No.	Nature of License / Approval	Issuing Authority	Registration/ License No.	Date of granting License/ Approval	Valid up to
1.	Permanent Account Number (PAN)	Income Tax Department, GoI	AADCG6872A	05/03/2018	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	Income Tax Department, GoI	BLRG24599B	08/01/2019	Valid until cancelled
3.	Certificate of Provisional Registration for Goods and Service Tax	Government of India and Government of Karnataka	29AADCG6872A1ZL	05/05/2018	Valid until cancelled
4.	Importer-Exporter Code (IEC)	Foreign Trade Development Officer, Office of Jt. Director General of Foreign Trade, Bangalore	AADCG6872A	06/04/2018	Valid until cancelled
7.	Certificate of Registration under Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976	Profession Tax Officer, Bangalore	386513683	20/11/2018	Valid until cancelled
8.	Employees' State Insurance Registration Certificate	Sub-Regional Office, Employee State Insurance Corporation	49000326770000799	07/06/2018	Valid until cancelled
9.	Certificate of Registration for Employee's Provident Fund	Regional Office, Employee's Provident Fund Organization, Bangalore	KN/67051	20/08/2018	Valid until cancelled
11.	MSME Udyog Aadhaar Memorandum/ Entrepreneurs Memorandum for setting under Small Enterprise	Ministry of Micro, Small and Medium Enterprises	KR03B0071755		Valid until cancelled
12.	Entrepreneur's Memorandum Acknowledgement	Directorate of Industries and Commerce, Government of Karnataka	290201107787	06/08/2018	Valid until cancelled
13.	License under Food Safety and Standards Act, 2006	State Licensing Authority under FSSAI, 2006	11218332000835	14/08/2018	13/08/2019
14.	Consent of the Board under Water (Prevention & Control of Pollution) Act, 1974	Regional Office, Karnataka State Pollution Control Board	195 PCB/PEENYA/Reg. No. 8334/2018/R.2089	22/08/2018	December 31, 2020
15.	Certificate of Registration Shops and Establishment [Vegetable Shop located at No. 17, No. 18]	Department of Labour, Government of Karnataka	45/10/S/0036/2018	08/07/2018	December 31, 2022
16.	Global GAP	Control Union Certifications	4059883704730	October 12, 2018	October 11, 2019
17.	Certificate of Recognition of Horticulture Packhouse	Agriculture and Processed Food Products Export Development Authority.	APEDA/FFV/PH/386/2018-19	February 27, 2019	February 26, 2021

		Ministry of Commerce & Industry.			
19.	Certificate of Approval of Pack House for export of Vegetables & Fruits to EU Countries	Ministry of Agriculture & Farmer's Welfare. Dept. of Cooperation & Farmer's Welfare  Directorate of Plant Protection, Quarantine & Storage.	APEDA/FFV/PH/386/2018-19	27.02.2019	26.02.2021
20.	Membership Certificate of Karnataka Chamber of Commerce & Industry	Secretary, Karnataka Chamber of Commerce & Industry	Ref. No.: MLO0412		
21.	Trade License	Health Department	MT050001358696404791  DR85608645148614391  YE03008645148677791  TL06450105148774391	03.04.2019  03.04.2019  03.04.2019  03.04.2019	31.03.2020  31.03.2020  31.03.2020

#### 4. Approvals obtained in relation to Intellectual property rights

**Trademark:** NIL

**Copyright:** NIL

#### 5. Approvals applied for but not yet received / Renewals made in the normal course of business:

The above government approvals are in the old name of the Company i.e. Greens Food Craft India Pvt. Ltd. The Company is in the process to renew/revive/revise the above approvals from time to time.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Issue in terms of this Draft Prospectus has been authorized pursuant to the resolution passed by the Board of Directors dated May 25, 2019 and by the shareholders pursuant to the special resolution passed in Extra-ordinary General Meeting dated June 04, 2019 under Section 62(1)(c) of the Companies Act, 2013.

Our Company has obtained in-principle approval from the BSE SME for using its name in the Draft Prospectus/ Prospectus pursuant to an approval letter dated [●] BSE SME is the Designated Stock Exchange.

### Prohibition by SEBI or other governmental authorities

We confirm that our Company, our Promoters, natural person in control of Promoter, Promoter Group, our Directors or entities with which our Company's Directors are associated as Directors / Promoter / partners of our Company have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any other regulatory or government authorities.

There are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which any of our Company, our Promoter, Directors, persons in control of our Company or any natural person behind the Promoter are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

The listing of any securities of our Company has never been refused at any time by any of the Stock Exchange in India. There are no violations of securities laws committed by them in the past or are pending against them. None of the Directors are associated with any entities, which are engaged in securities market related business and are registered with SEBI for the same.

We confirm that our Company, Promoters, Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable as on date of this Draft Prospectus.

None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors.

None of our Promoters or Directors has been declared as fugitive economic offender under Fugitive Economic Offenders Act, 2018.

### Prohibition by RBI

Neither our Company, nor our Promoters, our Directors, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a will full defaulter by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under section titled "*Outstanding Litigations and Material Developments*" beginning on page 166 of this Draft Prospectus.

### Eligibility for the Issue

Our Company is eligible for the Offer in accordance with regulation 229(2) and other provisions of chapter IX of the SEBI (ICDR) Regulations, 2018 as the post issue face value capital is more than ten crore rupees and upto twenty five crore rupees. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE Limited for listing of our Equity Shares.

### We confirm that:

- In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Offer will be 100% underwritten and shall not restrict to the minimum subscription level. The LM shall underwrite at least 15% of the total Offer size. For further details pertaining to underwriting please refer to chapter titled "General Information" beginning on page 35 of this Draft Prospectus.
- In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Offer is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as

prescribed under section 40 of the Companies Act, 2013.

- We shall file the Draft Prospectus with Stock Exchange and pursuant to sub regulation (5) of regulation 246, the copy of Draft Prospectus shall also be furnished to the SEBI in a soft copy. However SEBI shall not issue any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR) Regulations.
- In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this Offer. For further details of the market making arrangement see chapter titled “General Information” beginning on page 35 of this Draft Prospectus.
- The Post-Offer paid up capital of the Company shall not be more than Rs. 25 Crores. The post Offer capital of our Company shall be Rs. 13.34 Crores.
- The Company has positive cash accruals (Earnings before depreciation and tax) from operations for at least 2 (two) financial years preceding the date of filing of this Draft Prospectus.
- The Company has a track record of three years as on date of filing of this Draft Prospectus.
- The Net worth of the Company is positive as per the latest audited financial statements.
- The Net worth and Cash accruals (Earnings before depreciation and tax) from operation of the Company as per the Restated Financial statements for the period ended on December 31, 2018 and financial year ended March 31, 2018, 2017 and 2016 is as set forth below:

(Rs. In Lakhs)

Particulars	For the period ended on	For the financial year ended 31 <sup>st</sup> March		
	Decmeber 31, 2018	2018	2017	2016
Net Worth	3210.75	220.97	157.36	117.44
Cash Accruals	862.14	82.47	71.81	65.71

*“Net Worth” has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any.*

*\*\*\*“Cash accruals” has been defined as the Earnings before depreciation and tax from operations*

- The track record of the Company as per the Standalone Restated financial statements for the period ended on December 31, 2018 and financial year ended March 31, 2018, 2017 and 2016 is as set forth below:

(Rs. In Lakhs)

Particulars	31/12/2018	For F.Y. 2017-18	For F.Y. 2016-17	For F.Y. 2015-16
Net Profit (as restated)	772.80	63.61	39.92	35.41

- As per restated financial statement, the net tangible assets of the company are Rs.32.11 crores as on December 31, 2018. So, the company has fulfilled the criteria of minimum net tangible assets shall not be less Rs. 3 crores.
- Our Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories. The Company has entered into an agreement for registration with the Central Depository Services Limited (CDSL) dated [●] and National Securities Depository Limited dated February 08, 2019 for establishing connectivity.
- Our Company has a website i.e. <http://www.greensfoodcrafts.com>
- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against our Company that has been admitted by the Court or a liquidator has not been appointed of competent Jurisdiction against the Company.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant company.
- There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.
- We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform



of the BSE Ltd

#### **Compliance with Part A of Schedule VI of the SEBI (ICDR) Regulations**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI (ICDR) Regulations 2018. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations 2018, with respect to the Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF ISSUE DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI)/ STOCK EXCHANGE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI/ STOCK EXCHANGE. SEBI/ STOCK EXCHANGE DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ISSUE DOCUMENT. THE LEAD MANAGER, FINSHORE MANAGEMENT SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ISSUE DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE ISSUE DOCUMENT, THE LEAD MANAGER, *M/s. FINSHORE MANAGEMENT SERVICES LIMITED* HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE DATED JUNE 14, 2019 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ICDR) REGULATION 2018 WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER REGISTERING THE PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCE WITH THE SEBI ICDR 2018 WHICH READS AS FOLLOWS:**

**WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:**

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - A. THE DRAFT PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
  - B. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS ETC FRAMED/ ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - C. THE MATERIAL DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS

VALID.

4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK- IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.
6. WE CERTIFY THAT REGULATION 237 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.
7. WE UNDERTAKE THAT SUB-REGULATION (2) OF REGULATION 236 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – **NOT APPLICABLE**
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGE MENTIONED IN THE DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT MODE- NOTED FOR COMPLIANCE
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL-INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND

- B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHILE MAKING THE ISSUE. **NOTED FOR COMPLIANCE**
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS - TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD-18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE PROSPECTUS.

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY LEAD MANAGER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE**

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE OFFER DOCUMENT HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN OFFER DOCUMENT AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. - **NOTED FOR COMPLIANCE**
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- (5) THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PER CENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF FILING OF THE OFFER DOCUMENT WITH THE REGISTRAR OF COMPANIES. - **NOT APPLICABLE.**
- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 260 AND 261 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, HAVE BEEN MADE.

Note:

*The filing of this Draft Prospectus does not, however, absolve our company from any liabilities under section 34, section 35, Section 36 and Section 38 (1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and / or other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the LM any irregularities or lapses in the Draft Prospectus.*

*All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Bangalore, Karnataka in terms of sections 26, 32 and 33 of the Companies Act, 2013.*

### Price Information of past issued handled by the Lead Manager

#### Statement on Price Information of Past Issues handled by Finshore Management Services Limited:

Sr. No.	Issue Name	Issue Size	Issue Price	Listing Date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]-30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180th calendar days from listing
		₹. (Cr.)	(₹.)					
1	East India Securities Ltd	92.74	920	13-03-2018	921.9	2.07 [+0.25]	2.28[+4.69]	4.67[+13.39]
2	Sungold Media And Entertainment Limited	1.35	10	27-08-2018	9.75	-14[-5.28]	-42.80[-9.60]	-32[-7.29]
3	Powerful Technologies Limited	13.54	51	28-08-2018	48	-49.02[-5.83]	-47.06[-10.32]	-62.75[-8.07]
4	AKI India Limited	3.08	11	12-10-2018	11.55	2.18[1.22]	4.09[+4.26]	0[+12.11]
5	Shree Krishna Infrastructure Limited	1.17	13	03-12-2018	12.35	-58.08[-0.04]	-59.23[-0.49]	-52.31[+9.58]
6	Diksha Greens Ltd	13.32	30	05-12-2018	36.2	135.83[-1.03]	152.83[0.50]	-15.50[+10.67]
7	Shankar Lal Rampal Dye-Chem Ltd	7.29	45	24-12-2018	46.15	2.22[+2.75]	-5.56[+7.60]	
8	Jonjua Overseas Ltd	1.3	10	25-02-2019	12	7[5.58]	+7[+8.90]	
9	Mahip Industries Ltd	16.6272	32	12-03-2019	32	-5.16[+2.80]		
10	Northern Spirits Ltd	18.4986	43	04-04-2019	43.7	-16.28 [+0.72]		
11	White Organic Retail Ltd	15.4602	63	10-05-2019	64.2			

Status as on 31-05-2019

Financial Year	Total no. of IPOs	Total Funds Raised (in Cr.)	Nos. of IPOs trading at discount - 30th calendar day from listing day			Nos. of IPOs trading at premium - 30th calendar day from listing day			Nos. of IPOs trading at discount - 180th calendar day from listing day			Nos. of IPOs trading at premium - 180th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2016-17	0	N. A	N. A	N. A	N. A	N. A	N. A	N. A	N. A	N. A	N. A	N. A	N. A	
2017-18	1	92.74	N. A	N. A	N. A	N. A	N. A	1	N. A	N. A	N. A	N. A	1	
2018-19	8	57.6772	1	1	2	1	N. A	3	2	1	2	N. A	N. A	
2019-20	2*	33.9588			1									

Status as on 31-05-2019

\* White Organic Retail Ltd was listed on 10-05-2019

#### Track Record of past issues handled by Finshore Management Services Limited

For details regarding track record of LM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: [www.finshoregroup.com](http://www.finshoregroup.com)

#### Disclaimer from our Company and the Lead Manager

Our Company and the LM accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any 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.

The LM accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the LM (Finshore Management Services Limited) and our Company on June 13, 2019 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the LM 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 collection centres or elsewhere.

The LM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

#### **Caution**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

#### **Disclaimer in Respect of Jurisdiction**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakh and pension funds with a minimum corpus of ₹ 2,500.00 Lakh, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Draft Prospectus does not, however, constitute an Issue to sell or an invitation to subscribe for Equity Shares Issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Bangalore only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this Draft Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **Disclaimer Clause of the SME Platform of BSE**

As required, a copy of this Issue Document has been submitted to BSE Limited (hereinafter referred to as BSE). BSE Limited (“BSE”) has vide its letter dated [●] given permission to use its name in the offer document as the Stock Exchange on whose Small and Medium Enterprises platform (“SME platform”) the company’s securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this company. BSE does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer documents; or
- ii. warrant that this company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this company, its promoters, its management or any scheme or project of this company.
- iv. warrant, certify, or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the company and investors are informed to take the decision to invest in the equity shares of the company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the company is determined by the company in consultation with the Merchant Banker(s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The company has chosen the SME platform on its own initiative and its own risk, and is responsible for complying with local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and courts exclusively situated in Bangalore.

#### **Disclaimer Clause under Rule 144A of the U.S. Securities Act**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **Filing**

The Draft Prospectus is being filed with BSE Limited, 20th Floor, P.J. Towers, Dalal Street, Fort, Mumbai-400001, Maharashtra.

A copy of this Draft Prospectus shall be furnished to SEBI in soft copy. A copy of the Prospectus shall be filed with SEBI immediately upon registration of the Offer document with Registrar of Companies in term of Regulation 246 of the SEBI (ICDR) Regulations, 2018. SEBI shall not issue any observation on the Offer document.

A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, Bangalore, Karnataka, 'E' Wing, 2nd Floor, Kendriya Sadana, Kormangala, Bangalore-560034.

**Listing**

The Equity Shares of our Company are proposed to be listed on BSE SME. Our Company has obtained in-principle approval from BSE by way of its letter dated [●] for listing of equity shares on BSE SME.

BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Prospectus. If such money is not repaid within eight (8) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) days, be liable to repay such application money, with interest at the rate as prescribed under the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within Six (6) Working Days of the Issue Closing Date.

**Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

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 to action under section 447 of the Companies, Act 2013

**Consents**

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Syndicate Members, Our Statutory Auditor, Key Managerial Personnel, Our Peer Review Auditor, Our Banker(s) to the Company; (b) Lead Manager, Registrar to the Issue, Banker (s) to the Issue, Sponsor Bank, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities shall be obtained as required as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, our Auditor, Dinesh Bhatkal & Associates., Statutory Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on "Statement of Tax Benefits" relating to the possible tax benefits and restated financial statements as included in this Draft Prospectus/Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Prospectus.

**Experts Opinion**

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

Our Company has received written consent dated February 13, 2019 from the Statutory Auditors namely, Dinesh Bhatkal & Associates. to include their name as an "expert" as required under Section 26(5) of the Companies Act, 2013 read with the SEBI ICDR Regulations and as defined under Section 2(38) of the Companies Act, 2013, in respect of the reports of the Statutory Auditors on the Restated Financial Statements, each dated January 25, 2019 and the statement of special tax benefits dated January 25, 2019, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U. S. Securities Act.



### **Expenses of the Issue**

The expenses of the Issue include, among others, underwriting and management fees, selling commission, brokerage, printing and distribution expenses, legal fees, advertising expenses and listing fees. For details of total expenses of the Issue, kindly refer the chapter titled “*Objects of the Issue*” beginning on page 54 of this Draft Prospectus

### **Fees, Brokerage and Selling Commission payable to the LM**

The total fees payable to the LM will be as per the (i) Issue Agreement dated, 13<sup>th</sup> June 2019 with the LM, Finshore Management Services Limited, (ii) the Underwriting Agreement dated [●] with Underwriter, Finshore Management Services Limited and (iii) the Market Making Agreement dated [●] with Market Maker, a copy of which is available for inspection at our Registered Office from 10.00 am to 5.00 pm on all Working Days from the date of the Draft Prospectus until the Issue Closing Date.

### **Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of refund orders, preparation of refund data on magnetic tape and printing of bulk mailing register will be as per the agreement between our Company and the Registrar to the Issue dated [●] a copy of which is available for inspection at our Company’s Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to make refunds in any of the modes described in this Draft Prospectus or send allotment advice by registered post/speed post.

### **Particulars regarding Public or Rights Issues during the last five (5) years**

Our Company has not made any previous public or rights issue in India or Abroad the five (5) years preceding the date of this Draft Prospectus.

### **Previous issues of Equity Shares otherwise than for cash**

For detailed description please refer to section titled “*Capital Structure*” beginning on page 43 of this Draft Prospectus.

### **Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public Issuing of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:

Neither our Company nor any other companies under the same management within the meaning of Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

### **Performance vis-a-vis objects – Public/right issue of our Company and /or listed Group Companies/ subsidiaries and associates of our Company**

Except as stated under section titled “*Capital Structure*” beginning on page 43 of this Draft Prospectus our Company has not undertaken any previous public or rights issue. None of the Group Companies/ Entities or associates of our Company are listed on any stock exchange.

### **Performance vis-a-vis objects - Last Issue of Group/Associate Companies**

All of our Group/ Associate are unlisted and have not made a public issue of shares in the last ten (10) years preceding the date of this Draft Prospectus.

**Outstanding Debentures or Bond Issues or Redeemable Preference Shares**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Prospectus.

**Outstanding Convertible Instruments**

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

**Option to Subscribe**

Equity Shares being issued through the Draft Prospectus can be applied for in dematerialized form only.

**Stock Market Data of the Equity Shares**

This being a public Issue of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

**Mechanism for Redressal of Investor Grievances**

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or demat credit or where refunds are being made electronically, giving of unblocking instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the relevant Designated Branch or the collection center of the SCSBs where the Application Form was submitted by the ASBA Applicants.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

**Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed [•], Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

**Company Secretary and Compliance Officer**

[•]

Greens Food Crafts India Limited  
325/1, RVM Extension, 5<sup>th</sup> Cross, 14<sup>th</sup> Main, Sadashiva Nagar,  
Bangalore- 560080, Karnataka, India  
**Tel. No:** +91 080-41328285  
**Fax No.** +91 080-41328142  
**Email:** [cs@greensfoodcrafts.com](mailto:cs@greensfoodcrafts.com)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

Disposal of investor grievances by listed companies under the same management as our Company: We do not have any listed company under the same management.

### **Change in Auditors during the last three (3) years**

There has been no change in the statutory auditors during the three years immediately preceding the date of this Draft Prospectus:

### **Capitalization of Reserves or Profits**

Except as disclosed under section titled “Capital Structure” beginning on page 43 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time during the last five (5) years.

### **Revaluation of Assets**

Our Company has not revalued its assets in five (5) years preceding the date of this Draft Prospectus.

### **Tax Implications**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “*Statement of Tax Benefits*” beginning on page 70 of this Draft Prospectus.

### **Purchase of Property**

Other than as disclosed under section titled “*Our Business*” beginning on page 80 of this Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of the Draft Prospectus, other than property, in respect of which:-

The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or the amount of the purchase money is not material.

Except as stated elsewhere in the Draft Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

### **Servicing Behavior**

Except as stated in this Draft Prospectus, there has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

### **Payment or benefit to officers of Our Company**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed under sections titled “*Our Management*” and “*Related Party Transactions*” beginning on pages 111 and 154 respectively of this Draft Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

## SECTION XI: ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the abridged prospectus, Application Form, CAN, the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that in terms of Regulation 256 of the SEBI (ICDR), 2018 read with SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e. just writing their bank account numbers and authorising the banks to make payment in case of allotment by signing the application forms. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public issues by retail individual investors through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants).*

### AUTHORITY FOR THE PRESENT ISSUE

This Issue has been authorized by a resolution of the Board passed at their meeting held on May 25, 2019 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on June 04, 2019.

### RANKING OF EQUITY SHARES

The Equity Shares being Issue shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled “*Description of Equity Shares and Terms of Articles of Association*” beginning on page 226 of this Draft Prospectus.

### MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividend to the shareholders of our Company in accordance with the provisions of the Companies Act, 2013, as may be applicable, the Articles of Association of our Company, the provisions of the SEBI Listing Regulations and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by our Board of Directors and approved by our Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, For further details in relation to dividends, please refer to sections titled “*Dividend Policy*” and “*Description of Equity Shares and Terms of Articles of Association*” beginning on page 132 and 226 respectively of this Draft Prospectus.

### FACE VALUE AND ISSUE PRICE

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “*Basis for Issue Price*” beginning on page 67 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### COMPLIANCE WITH SEBI (ICDR) REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations as amended time to time. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association of our Company, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory and other preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable law, including any RBI Rules and Regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the previous Companies Act, 1956 and Companies Act, 2013, as may be applicable, terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For further details on the main provision of our Company's Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/ or consolidation / splitting, etc., please refer to section titled "**Description of Equity Shares and Terms of Articles of Association**" beginning on page 226 of this Draft Prospectus.

## MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issuer:

1. Tripartite agreement dated February 08, 2019 between our Company, NSDL and the Registrar to the Issue.
2. Tripartite agreement dated [●] between our Company, CDSL and the Registrar to the Issue

The trading of the Equity Shares will happen in the minimum contract size of 1,200 Equity Shares and the same may be modified by the SME Platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Draft Prospectus will be done in multiples of 1,200 Equity Shares subject to a minimum allotment of 1,200 Equity Shares to the successful Applicants in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

## MINIMUM NUMBER OF ALLOTTEES

In accordance with the Regulation 268 of SEBI ICDR Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

## JOINT HOLDERS

Where two (2) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

## NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the Applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed

manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board, elect either:

To register himself or herself as the holder of the Equity Shares; or  
To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Period of Operation of Subscription List of Public Issue

#### ISSUE PROGRAMME

ISSUE OPENS ON:	[•]
ISSUE CLOSES ON:	[•]

#### MINIMUM SUBSCRIPTION

In accordance with Regulation 260(1) of SEBI (ICDR) Regulations, this Issue is 100% underwritten and the details of the same have been disclosed under Section titled, **General Information**, beginning on page 35 of this Draft Prospectus.

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of thirty (30) days from the date of issue of Prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Issue Document including devolvement of Underwriters within sixty (60) days from the date of closure of the issue, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond eight (8) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of 1,200 equity shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

#### APPLICATION BY ELIGIBLE NRIS, FPIS/FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs. Such Eligible NRIs, FPIs/FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

**AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.**

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("**FDI**") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the Section titled, **Capital Structure**, beginning on page 43 of this Draft Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfer and transmission and on their consolidation/splitting of Equity Shares. For further details, please refer to the Section titled, "**Description of Equity Shares and Terms of the Articles of Association**", beginning on page 226 of this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the LM are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

**OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

As per Section 29 of the Companies Act, 2013 and in accordance with SEBI (ICDR) Regulations, every company making public Issue shall issue securities only in dematerialized form only. Hence, the Equity Shares being issued can be applied for in the dematerialized form only. Further, it has been decided by the SEBI that trading in securities of companies making an initial public Issue shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange.

**MIGRATION TO MAIN BOARD**

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, the migration to the Main board of BSE from the SME Exchange on a later date shall be subject to the following:

- If the Paid up Capital of our Company is likely to increase above ₹ 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which our Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board



OR

- If the Paid-up Capital of the company is more than ₹ 10 crore but below ₹25 crore, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

#### **MARKET MAKING**

The Equity Shares offered through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein [●] is the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of three (3) years from the date of listing on the SME Platform of BSE. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to Section titled, **General Information- Details of the Market Making Arrangements for this Issue**, beginning on page 35 of this Draft Prospectus.

#### **NEW FINANCIAL INSTRUMENTS**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this issue.

#### **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Bangalore, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be Issued or sold within the United States to, or for the account or benefit of “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations 2018, whereby, an issuer whose post issue face value capital is more than ten crore rupees and upto twenty five crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such this Issue, please refer to Sections titled, “*Terms of the Issue*” and “*Issue Procedure*”, beginning on pages 187 and 194 respectively, of this Draft Prospectus.

The present Issue of 35,12,400 Equity Shares at a price of ₹ 117.00 each aggregating to ₹ 4109.51 lakhs by our Company. The Issue and the Net Issue will constitute 26.32 % and 25.00 %, respectively of the post issue paid up equity share capital of the Issuer Company.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	33,36,000 Equity Shares	1,76,400 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.98 % of the Issue Size	5.02% of the Issue Size
<b>Basis of Allotment/ Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of Equity Shares and further allotment in multiples of 1,200 Equity Shares each.  For further details please refer to “Basis of Allotment” under section titled “ <i>Issue Procedure</i> ” beginning on page 194 of this Draft Prospectus.	Firm Allotment
<b>Mode of Application</b>	<b>For Other than Retail Individual Investors</b> All the applicants shall make the application (Online or Physical) through the ASBA Process only. <b>For Retail Individuals Investors:</b> Through the ASBA Process or by using UPI ID for payment	Through ASBA Process Only
<b>Mode of Allotment</b>	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
<b>Minimum Application Size</b>	<b>For Other than Retail Individual Investors:</b> Such number of Equity Shares in multiples of 1,200 Equity Shares such that the Application Value exceeds ₹2, 00,000.  <b>For Retail Individuals:</b> 1,200 Equity Shares at Issue price of ₹ 117.00 each.	16,68,000 Equity Shares of Face Value ₹10.00
<b>Maximum Application Size</b>	<b>For Other than Retail Individual Investors:</b> The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.  <b>For Retail Individuals Investors:</b>	16,68,000 Equity Shares of Face Value ₹10.00
<b>Particulars of the Issue</b>	<b>Net Issue to Public*</b>	Market Maker Reservation Portion
	Such number of Equity Shares in multiples of 1,200 Equity Shares such that the application value does not exceed ₹2, 00,000.	
<b>Trading Lot</b>	<b>1,200 Equity Shares</b>	1,200 Equity Shares. However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Terms of Payment</b>	100% The Applicant shall have sufficient balance in the ASBA account at the time of submitting application and the amount will be blocked anytime within two day of	

	the closure of the Issue. In case of UPI as an alternate mechanism, Bid amount shall be blocked at the time of confirmation of mandate collection request by applicant.
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This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations. For further details please refer to section titled “**Issue Structure**” beginning on page 192 of this Draft Prospectus.

*\*Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 (2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:*

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

*Explanation: If the retails individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retails individual investors shall be allocated that higher percentage.*

*For further information on the Allocation of Net Offer to Public, please refer to chapter titled “The Issue” on page no. 31 of this Draft Prospectus.*

## WITHDRAWAL OF THE ISSUE

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. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

- a. The final listing and trading approvals of BSE for listing of Equity Shares Issued through this Issue on its SME Platform, which the Company shall apply for after Allotment; and
- b. The final RoC approval of the Prospectus after it is filed with the RoC.
- c. In case, our Company wishes to withdraw the Issue after Issue Opening but before allotment, our Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two (2) widely circulated national newspapers (one each in English and Hindi) and one (2) in regional newspaper.

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 instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public Issuing of Equity Shares, our Company will file a fresh Issue document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through this Draft Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

## ISSUE PROGRAMME

<b>ISSUE OPENING DATE</b>	[●]
<b>ISSUE CLOSING DATE</b>	[●]

Applications and any revisions to the same will be accepted only between 10:00 a.m. to 5:00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form. On the Issue Closing Date when applications will be accepted only between 10:00 a.m. to 4:00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1:00 p.m. IST on the Issue Closing Date. Any time mentioned in this Draft Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issuing, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday)

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, notified by SEBI (“General Information Document”), included below under Section **“PART B – General Information Document”**, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the LM. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles.

Additionally, all Applicants may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Applicants and Retail Individual Applicants applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated in this chapter and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus.

Please note that all Applicants applying in the Issue can participate in the Issue only through the ASBA process. Applicants should carefully read the provisions applicable before making their application through the ASBA process. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB at the time of submitting the Application. As an alternate payment mechanism, investors may apply through UPI as per SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018.

### **Phased implementation of Unified Payments Interface (UPI)**

SEBI has issued a circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 in relation to streamlining the process of public issue of equity shares and convertibles (“UPI Circular”). Pursuant to the circular, Unified Payments Interface (“UPI”) is proposed to be introduced in a phased manner (phase I will be effective from January 1, 2019) as an additional mode of payment with ASBA Form for applications by Retail Individual Investors through intermediaries (i.e., Syndicate members, Registered Stock Brokers, Registrar and Transfer Agents and Depository Participants) (“UPI Channel”). The UPI Channel for making Applications by Retail Individual Investors will be made available in accordance with the UPI Circular.

**Retail Individual Investors should note that the Application using UPI Channel is optional and they can make Applications by submitting Application Forms, in physical form or in electronic mode, to the members of the Syndicate, the sub-Syndicate, SCSBs, the Registered Brokers, Registrars to an Issue and Share Transfer Agents and Depository Participants.**

**Our Company and the LM are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Draft Prospectus.**

## PART – A

### Fixed Price Issue Procedure

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI ICDR Regulations, and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance is being offered to Other Investors including QIBs and Non-Institutional Applicants.

However, in case of under-subscription in either category, unsubscribed portion shall be allocated to investors in other category subject to valid Applications being received from them at the Issue Price.

Subject to the valid Applications being received at the Issue Price, allotment to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Individual Investors Category where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Individual Investors Category, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialised form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

#### Application Form

Retail Individual Applicants can submit their Applications by submitting Application Forms, in physical form or in electronic mode, to the members of the Syndicate, the sub-Syndicate, the SCSBs, the Registered Brokers, Registrars to an Issue and Share Transfer Agents and Depository Participants.

Application Forms will be available with the Syndicate/sub-Syndicate members, SCSBs and at our Registered Office. In addition, the Application Forms will also be available for download on the website of the Company, Lead Manager and Stock Exchange, BSE ([www.bseindia.com](http://www.bseindia.com)), at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form or alternatively, the Retail Individual Applicants wishing to apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected. For further details on the UPI Channel please refer SEBI circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs or Registrars to an Issue and Share Transfer Agents or Depository Participants, as the case may be, submitted at the Collection centers only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors can apply through ASBA Mode. Alternatively investors can apply through UPI. The prescribed colour of the Application Form for various categories applying in this issue is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)**	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)**	Blue*

\* Excluding electronic Application Form.

\*\* Application forms will also be available on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)). Same Application Form applies to all ASBA Applicants/ Retail Individual Applicants applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the Applicants has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus.

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Offer, shall submit a completed application form to any of the following Intermediaries (Collectively called —Designated Intermediaries”)

No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4.	A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an offer and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the application form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as proof of having accepted the application form, in physical or electronic mode, respectively.*

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Application submitted by investors to SCSB	After accepting the form, SCSB shall capture and upload the relevant details in the electronic Applying system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic Applying system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	<p>After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic Applying system of stock exchange.</p> <p>Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.</p>

Stock exchange shall validate the electronic bid details with depository’s records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA Applicants.

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

#### **Availability of Prospectus and Application Forms**

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue and Registrar to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com).

#### **Who can apply?**

Each Applicant should check whether it is eligible to apply under applicable law.

Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Application Form and GID for more details.

Subject to the above, an illustrative list of Applicants is as follows:

Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);

Applications belonging to an account for the benefit of a minor (under guardianship);

- i. Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- ii. Applications belonging to an account for the benefit of a minor (under guardianship);
- iii. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Application by HUFs will be considered at par with Applications from individuals;
- iv. Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- v. QIBs;
- vi. NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- vii. Qualified Foreign Investors subject to applicable law;
- viii. Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- ix. Trusts/ societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/ societies and who are authorised under the irrelative constitutions to hold and invest in equity shares;
- x. Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- xi. Insurance companies registered with IRDAI;
- xii. Mutual Funds registered with SEBI;
- xiii. FPIs other than Category III Foreign Portfolio Investor;
- xiv. Category III Foreign Portfolio Investors, which are foreign corporates or foreign individuals only under the Other Investors Category;
- xv. Scientific and/ or industrial research organisations authorised in India to invest in the Equity Shares; and
- xvi. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications should not to be made by:**

- i. Minors (except through their Guardians)
- ii. Partnership firms or their nominations
- iii. Foreign Nationals (except NRIs)
- iv. Overseas Corporate Bodies

The Equity Shares have not been and will not be registered under the U.S. Securities Act, 1933 (the “U.S. Securities Act”) or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

*The information below is given for the benefit of the applicants. Our Company, and the Lead Manager do not accept responsibility for the completeness and accuracy of the information stated. Our Company, and the Lead Manager is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for does not exceed the limits prescribed under laws or regulations.*

**MAXIMUM AND MINIMUM APPLICATION SIZE:****1. For Retail Individual Applicants:**

The Application must be for a minimum of 1,200 Equity Shares and in multiples of 1,200 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000. As the application price payable by the Retail Individual Applicants cannot exceed ₹ 2,00,000, they can make Application only for minimum Application size i.e. for 1,200 Equity Shares.

**2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of 1,200 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**3. Minimum Bid Lot: 1,200 Equity Shares****Participation by Associates /Affiliates of LM and the Syndicate Members**

The LM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

**Application by Mutual Funds**

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.



With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **Applications by Eligible NRIs**

Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and Applying on a repatriation basis could make payments through the ASBA process only by blocking the funds for the amount payable on application in their NRE Account or FCNR Accounts, maintained with banks authorised by the RBI to deal in foreign exchange.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents, accompanied by a bank certificate confirming that the payment has been made by blocking the relevant funds in their NRE or FCNR account, as the case may be. Payment for Application by non-resident Applicants applying on a repatriation basis will not be accepted out of NRO accounts for the full Application amount, at the time of submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

#### **Applications by HUF**

Application by Hindu Undivided Families or HUFs should be in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Application by HUFs will be considered at par with Applications by individuals.

#### **Applications by FPIs**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased upto the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to the RBI.

In case the total holding of an FPI 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 issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event.

(i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. In case of Applications made by FPIs, a verified true copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached along with the Application form, failing which our Company reserves the right to reject the Application without assigning any reasons thereof.

#### **Applications by banking companies**

In case of Applications made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application by a banking company without assigning any reason therefore.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **Applications by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Applications by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The SEBI VCF Regulations and the SEBI FVCI Regulations, as amended, inter alia prescribe the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only upto 33.33% of the investible funds in various prescribed instruments, including in public offerings.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations.

All Non-Resident Applicants including Eligible NRIs, FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. There is no reservation for Eligible NRIs, FIIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

Further, according to the SEBI Regulations, the shareholding of VCFs, category I or II AIFs and FVCIs held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filing the Red Herring Prospectus with SEBI. However, such equity shares

shall be locked in for a period of at least one year from the date of purchase by the VCF, category I or II AIF or FVCI, as the case may.

#### **Applications by limited liability partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

#### **Applications by Insurance Companies**

In case of Applications made by Insurance Companies, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (the “IRDAI Investment Regulations”) are broadly set forth below:

- a. Equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b. The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c. The industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) and (iii) above, as the case may be.

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000.00 million or more but less than ₹2,500,000.00 million.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

#### **Applications by provident funds/ pension funds**

In case of Applications made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof.

#### **Applications under Power of Attorney**

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Mutual Funds, Eligible FPIs, insurance companies Systemically Important Non-Banking Financial Companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/ or bye laws, as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons therefore.

#### **Applications by Systemically Important Non-Banking Financial Companies**

In case of Application by Systemically Important Non-Banking Financial Companies, certified copy of a) the certificate of registration issued by RBI, b) certified copy of its latest audited financial statement on a standalone basis and a net worth certificate from its statutory auditor and c) such other approval as may be required by Systemically Important Non-Banking Financial Companies are required to be attached to the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons therefore. Systemically Important Non-Banking

Financial Companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

*The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and Applicants are advised to ensure that any single Application from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.*

#### **Method and Process of Applications**

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.
6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
8. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **Terms of payment**

The entire Issue price of 117/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

### **Allocation of Equity shares**

1. The Issue is being made through the Fixed Price Process wherein 1,76,400 Equity Shares shall be reserved for Market Maker and 33,33,600 Equity shares (Net Issue) will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non Retail Applicants.
2. Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre- Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

### **Issuance of Allotment Advice**

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. The Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

### **General Instructions**

#### **Do's:**

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to not release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Applications are submitted at the Collection Centers only on forms bearing the stamp of the Syndicate or Registered Broker or RTAs or DPs or SCSB (except in case of electronic forms). Ensure that your Application is submitted either to a member of the Syndicate (in the Specified Locations), a Designated Branch of the SCSB where the Applicant has a bank account or a UPI ID linked Bank Account, or to a Registered Broker at the Broker Centers or to RTAs or DPs at Collection Centers and not to our Company.
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you have mentioned the correct ASBA Account number in the Application Form and in case of Retail Individual Applicants applying through UPI Channel, ensure that you have mentioned the correct UPI ID.
- Submit revised Applications to the same member of the Syndicate, SCSB or Non-Syndicate Registered Broker, or RTAs or DPs as applicable, through whom the original Application was placed and obtain a revised TRS;

- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Draft Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding ₹ 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not make more than five application from one bank account.
- Do not use third party bank account or third party UPI ID linked Bank Account for making the Application;

#### **Other instructions for the Applicants**

##### **Joint Applications**

In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

##### **Multiple Applications**

An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to the Designated Intermediaries and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

##### **Impersonation:**

*Attention of the application is specifically drawn to the provisions of the sub-section (1) of Section 38 of the companies Act, 2013 which is reproduced below:*

"Any person who

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his

- name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.
  - d) The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending upto 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending upto three times of such amount.”

### Investor Grievance

In case of any pre-Issue or post-Issue related problems regarding demat credit/refund orders/unblocking etc., the Investors can contact the Compliance Officer of our Company.

### Nomination Facility to Applicant

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

### Grounds for Technical Rejections

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds: -

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the individual partners and no firm as such shall be entitled to apply.
- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications made using a third party bank account or using third party UPI ID linked bank account;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 1,200;
- Category not ticked;
- Multiple Applications as defined in this Draft Prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and Draft Prospectus as per the instructions in this Draft Prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals. Application or revision thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000 received after 3.00 pm on the issue Closing date unless the extended time is permitted by BSE.
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;

- Applications by Applicants, other Retail Individual Applicants, not submitted through ASBA process and Applications by Retail Individual Applicants not submitted through ASBA process or the UPI process;
- Failure of Retail Individual Applicants to validate the request of blocking of Application amount sent by the Sponsor Bank;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- Details of ASBA Account not provided in the Application form;
- In case of Retail Individual Applicants applying through the UPI mechanism, details of UPI ID, not provided in the Application form; etc.

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID and UPI Circular.

APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner.**

The authorised employees of the Stock Exchange, along with the LM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Completion of Formalities for Listing & Commencement of Trading**

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 (six) Working Days of the Issue Closing Date. The Registrar to the Issue may dispatch the Allotment Advice within 6 (six) Working Days of the Issue Closing Date.

#### **Signing of Underwriting Agreement and Filing of Prospectus with ROC**

- a) The issue is 100% underwritten. Our company has entered into an Underwriting Agreement dated 12th December 2018 with Lead Manager. For further information, please refer section "General Information" beginning from page no 35 of this Draft Prospectus.
- b) A copy of Prospectus will be filed with the RoC in terms of Section 26 & 32 of Companies Act, 2013.

#### **Undertakings by Our Company**

We undertakes as follows:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Issue Closing Date.
- 3) That the funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the registrar to the issue by the issuer.
- 4) That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) That the promoters' contribution in full, wherever required, shall be brought in advance before the Issue opens for public subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on public in accordance with applicable provisions in these regulations.
- 6) That no further issue of securities shall be made till the securities offered through the Draft Prospectus are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than as disclosed in accordance with Regulation 19.
- 7) That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment.



- 8) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;

#### **Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested.
- 4) The utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- 5) The details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

#### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company will sign the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Agreement dated February 08, 2019 between NSDL, the Company and the Registrar to the Issue;
- Agreement dated [●] between CDSL, the Company and the Registrar to the Issue;
- The Company's equity shares bear an ISIN No. [●]

**PART B****GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES**

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft Prospectus before investing in the Issue

**SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)**

This document is applicable to the public issues undertaken inter-alia through the Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations, 2018”) as amended.

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Draft Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Applicants should carefully read the entire Draft Prospectus and the Application Form and the abridged Draft Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Draft Prospectus, the disclosures in the Draft Prospectus shall prevail. The Draft Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the LM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in). For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section “Glossary and Abbreviations”.

**SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE****Initial public offer (IPO)**

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO under chapter IX of SEBI (ICDR) regulation 2018, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of Regulation 228, 229 and 230 of the SEBI (ICDR) Regulations, 2018. For details of compliance with the eligibility requirements by the Issuer Applicants may refer to the Draft Prospectus.

The present Issue being made under Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulation 2018.

**Other Eligibility Requirements**

In addition to the eligibility requirements specified in paragraphs 2.1 an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI (ICDR) Regulations, 2018, the Companies Act, 1956 and the Companies Act, 2013 as may be applicable (“the Companies Act), the Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations if any, and other applicable laws for the time being in force.

Following are the eligibility requirements for making an SME IPO under Chapter IX of SEBI (ICDR) Regulation 2018:

- 1) In accordance with Regulation 260 of SEBI (ICDR) Regulation 2018, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.

- 2) In accordance with regulation 268 of SEBI (ICDR) Regulation 2018, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise the entire application money will be blocked forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 40 of the Companies Act, 2013.
- 3) In accordance with Regulation 246 the SEBI (ICDR) Regulation 2018, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the soft copy of prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI immediately upon registration of the prospectus with the Registrar of Companies.
- 4) In accordance with Regulation 261 of the SEBI (ICDR) Regulation 2018, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.
- 5) The company should be incorporated under the companies Act 1956
- 6) The post issue paid up capital of the company (face value) shall not be more than ₹2500.00Lakh
- 7) The Company should have positive net-worth.
- 8) The company should have a track record of atleast 3 years.
- 9) The company should have combined positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net worth should be positive
- 10) The Company should have a website
- 11) It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories
- 12) There should not be any change in the promoters of the company in preceding one year from date of filing the application to BSE for listing under SME segment.
- 13) The company should not have been referred to Board for Industrial and Financial Reconstruction.
- 14) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
- 15) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
- 16) Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations 2018 and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.
- 17) Thus the Company is eligible for the Issue in accordance with Regulation 229(2) and other provision of Chapter IX of SEBI (ICDR) Regulations, 2018 as the post –issue face value capital does exceed ₹1000 Lakhs. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

#### **Types of Public Issues – Fixed Price Issues and Book Built Issues**

In accordance with the provisions of the SEBI (ICDR) Regulations, 2018, an Issuer can either determine the Issue Price through the Book Building Process (“Book Built Issue”) or undertake a Fixed Price Issue (“Fixed Price Issue”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in this Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Draft Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

The present issue is 100% Fixed Price Issue.

#### **Offer Period**

The Issue may be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged prospectus or Draft Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange.

#### **Migration to Main Board**

SME Issuer may migrate to the Main Board of Stock Exchange from the SME Exchange at a later date subject to the following:

If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot

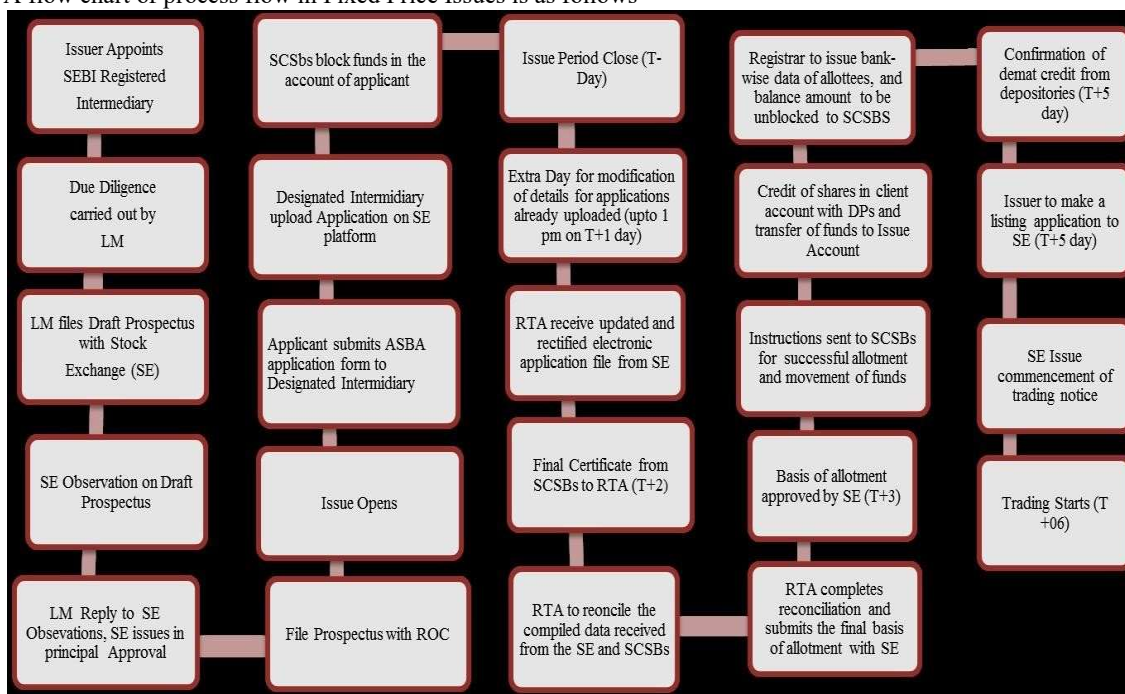
wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), The Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

If the Paid up Capital of the company is more than Rs. 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by Share holders other than promoter shareholders against the proposal.

### FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price Issues is as follows



### SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FII's, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Draft Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder/Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorized to invest in equity shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law; NRIs other than Eligible NRIs are not eligible to participate in this Issue.
- Indian Financial Institutions, scheduled commercial banks regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2018 and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors, VCFs and FVC are registered with SEBI.

- Limited liability partnerships registered in India and authorized to invest in equity shares.
  - State Industrial Development Corporations.
  - Trusts/societies registered under the Societies Registration Act, 1860, as amended or under any other law relating to trusts/ societies and who are authorized under their respective constitutions to hold and invest in equity shares;
  - Scientific and or Industrial Research Organizations authorized to invest in equity shares.
  - Insurance Companies registered with IRDA;
  - Provident Funds and Pension Funds with minimum corpus of ₹ 2500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
  - Multilateral and Bilateral Development Financial Institutions;
  - National Investment Fund set up by resolution no F.No.2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
  - Insurance funds set up and managed by army, navy, air force of the Union of India or by Department of Posts, India;
  - Any other person eligible to apply to this Issue, under the laws, rules, regulations, guidelines, and policies applicable to them and under Indian Laws.
- Application not should be made by:
- Minors (Expect under guardianship)
  - Partnership firms or their nominees
  - Foreign Nations (Except NRIs)
  - Overseas Corporate Bodies

As per the existing regulations, OCBs are not allowed to participate in an Issue.

#### **SECTION 4: APPLYING IN THE ISSUE**

Fixed Price Issue: Applicants should only use the specified cum Application Form either bearing the stamp of Designated Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the registered office of the Issuer, and office of the RTA and at the office of the LM. For further details regarding availability of Application Forms, Applicants may refer to the Draft Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed color of the Application Form for various categories of Applicants is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)	White
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)	Blue

*Please note that in terms of regulation 256 of the SEBI (ICDR), 2018 read with SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e. just writing their bank account numbers and authorising the banks to make payment in case of allotment by signing the application forms. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public issues by retail individual investors through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants.*

*Investors are advised to carefully refer SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 for the procedure to be followed for applying through UPI Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.*

#### **INSTRUCTIONS FOR FILING APPLICATION FORM/APPLICATION FORM (FIXED PRICE ISSUE)**

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the prospectus and Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

ISSUE PROGRAMME : ISSUE OPENS ON: [●]    ISSUE CLOSES ON: [●]			
<b>COMMON APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b> Registered Office: Abcd EFGH IJKLM NOPQRST UVWXYZ, Corporate Office: Abcd EFGH IJKLM NOPQRST UVWXYZ, CIN: ABCD1234ABCD1234BCDE, Tel: +91 1234567890; E. mail: abcdefgh@abc.com; Website: www.abcdefghijkl.com		
<b>LOGO</b>	<b>FIXED PRICE SME ISSUE</b> ISIN - INE1234567890		
To, The Board of Directors XYZ LIMITED	Application Form No. _____ Date: _____		
BROKER'S/SCSB/DP/RIASTAMP & CODE SUB-BROKER'S/ SUBAGENT'S STAMP & CODE SCSB/ BANK BRANCH STAMP & CODE SCSB/ BANK BRANCH SERIAL NO.	<b>1. NAME &amp; CONTACT DETAILS OF SOLE FIRST APPLICANT</b> Mr. / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____ <b>2. PAN OF SOLE FIRST APPLICANT</b> _____		
<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.	<b>6. INVESTOR STATUS</b> <input type="checkbox"/> Resident Indian (Individual) <input type="checkbox"/> Non-Resident Indian (Non-Resident Indian) <input type="checkbox"/> Resident in India (Resident in India) <input type="checkbox"/> Foreign Corporate <input type="checkbox"/> Banks & Financial Institutions <input type="checkbox"/> Mutual Funds <input type="checkbox"/> National Investment Funds <input type="checkbox"/> Insurance Companies <input type="checkbox"/> Venture Capital Funds <input type="checkbox"/> Alternative Investment Funds <input type="checkbox"/> Others (Please Specify) _____ <small>*RUF Standalone applies only to those who have applied by RUF and are listed on the website.</small>		
<b>4. APPLICATION DETAILS</b> No. of Equity Shares of ₹ [●] each applied at the Issue Price i.e. at ₹ [●] per share. (In Figures) _____ (In Words) _____ Allotment will be in DEMAT mode only. <small>1 Please note that applications must be made in minimum of [●] shares and further multiples of [●] shares accordingly.                  2 Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.</small>	<b>5. CATEGORY</b> <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB		
<b>7. PAYMENT DETAILS</b> Amount Blocked (₹ in Figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____ DP ID _____ <small>(Minimum 45 characters)</small>	PAYMENT OPTION : Full Payment		
<small>I/WE (OR BRANCH OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ANNEXURE PROSPECTUS AND THE ORIGINAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE (OIID), AND HEREBY AGREE AND CONFIRM THE "INDUCTOR UNDERPART D.3" AS GIVEN OVERLEAF. I/WE (OR BRANCH OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILING OF THE APPLICATION FORM OVERLEAF.</small>			
<b>8. A SIGNATURE OF SOLE / FIRST APPLICANT</b> Date: _____ 2019	<b>S.B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)</b> I/We authorize the SCSS to do all acts as are necessary to make for Application in the issue. 1) _____ 2) _____ 3) _____	<b>BROKER / SCSSB / DP / RIA STAMP</b> (Acknowledging upload of Application in Stock Exchange System)	
<b>LOGO</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	Acknowledgement Slip for Broker/SCSB/DP/RIA	Application Form No. _____
DP ID / CS ID _____ PAN of Sole/First Applicant _____	Amount Blocked (₹ in figures) _____ ASBA Bank & Branch _____ ASBA Bank A/c No./UPI ID _____ Received from: Mr/Ms _____ Telephone / Mobile _____ Email _____	Stamp & Signature of SCSS Branch _____	
<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	In Figures _____ In Words _____ No. of Equity Shares _____ Amount Blocked (₹) _____ ASBA Bank A/c No. / UPI ID _____ Bank & Branch _____	Stamp & Signature of SCSS/Broker/DP/RIA _____ Name of Sole / First Applicant _____ Acknowledgement Slip for Applicant _____ Application Form No. _____	
<small>Important Note: Application made using third party DP ID or ASBA Bank A/c are liable to be rejected.</small>			

ISSUE PROGRAMME : ISSUE OPENS ON: [●]   ISSUE CLOSES ON: [●]	
<b>COMMON APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b> <small>Registered Office: Abcd Efgh Ijklm Nopqrst Uvwxyz Abcd Efgh Ijklm Nopqrst Uvwxyz. Corporate Office: Abcd Efgh Ijklm Nopqrst Uvwxyz, CIN: ABCD1234ABDC1234ABCDE; Tel: +91 1234567890; E-mail: abcdefgh@abc.com; Website: www.abcdefghijkl.com</small>
<b>LOGO</b>	<b>FIXED PRICE SME ISSUE</b> ISIN - INE1234567890
To, The Board of Directors XYZ LIMITED	Date: _____ Application Form No. _____
<b>BROKER'S / SCSB / DP / RTA STAMP &amp; CODE</b>	<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>
<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b>	
Mr. / Ms. _____ Age _____	
Address _____	
Email _____	
Tel. No (with STD code) / Mobile _____	
<b>2. PAN OF SOLE/FIRST APPLICANT</b>	
_____	
<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.	
<b>4. APPLICATION DETAILS</b>	
No. of Equity Shares of ₹ [●]/- each applied at the Issue Price i.e. at ₹ [●]/- per share <sup>1</sup> & <sup>2</sup>	
(In Figures) _____	(In Words) _____
ALLOTMENT WILL BE IN DEMAT MODE ONLY <sup>3</sup>	
<sup>1</sup> Please note that applications must be made in minimum of [●] shares and further multiples of [●] shares accordingly.	
<sup>2</sup> Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.	
<b>5. CATEGORY</b>	
<input type="checkbox"/> Retail Individual	
<input type="checkbox"/> Non-Institutional	
<input type="checkbox"/> QIB	
<b>6. INVESTOR STATUS</b>	
<input type="checkbox"/> Non-Resident Indians (Repatriation basis)    NRI	
<input type="checkbox"/> FII or Sub Accountant a Corporate / Foreign Individual    FII	
<input type="checkbox"/> FII Sub Account Corporate/ Individual    FII SA	
<input type="checkbox"/> Foreign Venture Capital Investor    FVCI	
<input type="checkbox"/> Foreign Portfolio Investor    FPI	
<input type="checkbox"/> Others (Please Specify)    OTH	
<b>7. PAYMENT DETAILS</b> <b>PAYMENT OPTION : Full Payment</b>	
Amount Blocked (₹ in Figures) _____ (₹ in words) _____	
ASBA Bank A/c No _____	
Bank Name & Branch _____	
UPI Id _____ (Maximum 43 characters)	
<small>I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE (GID) AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILING UP THE APPLICATION FORM GIVEN OVERLEAF.</small>	
<b>8A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	
Date: _____, 2019	
<b>8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	
I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue	
1) _____	
2) _____	
3) _____	
<b>BROKER / SCSB / DP / RTA STAMP</b> (Acknowledging upload of Application in Stock Exchange System)	
TEAR HERE	
<b>LOGO</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b>
Acknowledgement Slip for Broker/SCSB/DP/RTA	Application Form No. _____
PAN of Sole/First Bidder	
_____	
Amount Blocked (₹ in figures) _____ Bank & Branch _____	
ASBA Bank A/c No./UPI Id _____	
Received from Mr./Ms. _____	
Telephone / Mobile _____ Email _____	
TEAR HERE	
<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b>	<b>Name of Sole / First Applicant</b>
No. of Equity Shares	_____
Amount Blocked (₹)	_____
ASBA Bank A/c No./UPI Id	_____
Bank & Branch	_____
<b>Acknowledgement Slip for Applicant</b>	
<b>Application Form No.</b>	
<small>Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.</small>	

**NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT**

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

Mandatory Fields: Applicants should note that the name and address fields are compulsory and email and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (including refund orders and letters notifying the unblocking of the bank accounts of ASBA Applicants) in case the communication sent to the address available with the Depositories are returned

undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

**Joint Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favor of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

**Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who 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 indifferent 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 of the said Act.”

**Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 109A of the Companies Act. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

## **FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT**

PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim (“PAN Exempted Applicants”). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

Application Forms which provide the General Index Register Number instead of PAN may be rejected.

Applications by Applicants whose demat accounts have been “suspended for credit” are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

## **FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS**

Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Application Form is liable to be rejected.

Applicants should ensure that the beneficiary account provided in the Application Form is active.

Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.

Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository



Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

#### **FIELD NUMBER 4: APPLICATION DETAILS**

The Issuer may mention Price in the Draft Prospectus. However a prospectus registered with ROC contains one price.

##### **Minimum and Maximum Application Size**

###### **For Retail Individual Applicants**

The Application must be for a minimum of 1,200 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed ₹ 2,00,000, they can make Application for maximum 1 lot i.e. for 1,200 Equity Shares.

###### **For Other Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of 1,200 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000 for being considered for allocation in the Non- Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Prospectus.

**Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Application Collecting Intermediary and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.

For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

The following applications may not be treated as multiple Applications:  
Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.

Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.

Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### **FIELD NUMBER 5: CATEGORY OF APPLICANTS**

The categories of applicants identified as per the SEBI ICDR Regulations, 2018 for the purpose of Application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2018. For details of any reservations made in the Issue, applicants may refer to the Draft Prospectus.

The SEBI ICDR Regulations, 2018 specify the allocation or allotment that may be made to various categories of applicants

in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Draft Prospectus.

#### **FIELD NUMBER 6: INVESTOR STATUS**

Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Draft Prospectus for more details.

Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.

Applicants should ensure that their investor status is updated in the Depository records.

#### **FIELD NUMBER 7: PAYMENT DETAIL**

All Applicants are required to use ASBA facility to block the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the funds shall be blocked for Amount net of Discount. Only in cases where the Draft Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.

All categories of investors can participate in the Issue only through ASBA mechanism.

Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

#### **Payment instructions for Applicants**

Applicants may submit the Application Form either in physical mode or online mode to any Designated Intermediaries. Applicants should specify the Bank Account number in the Application Form. The Application Form submitted by an Applicant and which is accompanied by cash, demand, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

Applicant should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;

Applicant shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

From one ASBA Account, a maximum of five Application Forms can be submitted.

Applicants applying through a member of the Syndicate should ensure that the Application Form is submitted to a member of the Syndicate only at the Specified Locations. Applicants should also note that Application Forms submitted to the Syndicate at the Specified Locations may not be accepted by the member of the Syndicate if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Application Forms (a list of such branches is available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>).

Applicants applying through a Registered Broker, RTA or CDP should note that Application Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in Application Form, is maintained has not named at least one branch at that location for the Registered Brokers, RTA or CDP, as the case may be, to deposit Application Forms.

ASBA Applicant applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

Upon receipt of Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form may upload the details on the Stock Exchange Platform.

If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.

Upon submission of a completed Application Form each Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.

The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.

SCSBs applying in the Issue must apply through an Account maintained with any other SCSB; else their Application is liable to be rejected.

### **Unblocking of ASBA Account**

Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ partial/ non- allotment ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.

On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

### **Discount (if applicable)**

The Discount is stated in absolute rupee terms.

RII, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, Applicants may refer to the Draft Prospectus.

For the Applicants entitled to the applicable Discount in the Issue the Application Amount less Discount (if applicable) shall be blocked.

### **Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

## **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

If the ASBA Account is held by a person or persons other than the ASBA Applicant., then the Signature of the ASBA Account holder(s) is also required.

In relation to the ASBA Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.

Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

## **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediaries, as applicable, for submission of the Application Form.

(a) All communications in connection with Applications made in the Issue should be addressed as under:  
In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Applicants should contact the Registrar to the Issue.

In case of ASBA applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.

Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.

(b) The following details (as applicable) should be quoted while making any queries –

Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, UPI ID, PAN, number of Equity Shares applied for, amount blocked on application.

Name and address of the Designated Intermediary, where the Application was submitted; or

In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked. For further details, Applicant may refer to the Draft Prospectus and the Application Form.

### **INSTRUCTIONS FOR FILING THE REVISION FORM**

During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application upwards) who has registered his or her interest in the Equity Shares at a particular number of shares is free to revise number of shares applied using revision forms available separately. RII may revise their applications till closure of the issue period or withdraw their applications until finalization of allotment. Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form. The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the same Designated Intermediary through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

ISSUE PROGRAMME : ISSUE OPENS ON: [●]    ISSUE CLOSES ON: [●]	
<b>COMMON APPLICATION REVISION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR</b> Registered Office: Abcd Efgh Ijklm Nopqrst Uvwxyz; Abcd Efgh Ijklm Nopqrst Uvwxyz; Corporate Office: Abcd Efgh Ijklm Nopqrst Uvwxyz; CIN: ABCDE1234ABDC1234BCDE; Tel: +91 1234567890; E-mail: abcdefghij@abc.com; Website: www.abcdefghijkl.com
FOR NON RESIDENT INCLUDING ELIGIBLE NRIs, FPIs or FVCIs ETC. APPLYING ON A REPATRIATION BASIS	

<b>LOGO</b>	To, The Board of Directors XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN - INE1234567890	Application Form No. _____	Date: _____
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BROKER'S / SCSB / DP / RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	<b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST APPLICANT</b> Mr./Ms. _____ Address _____ _____ Tel. No (with STD code) / Mobile _____	
SCSB / BANK BRANCH STAMP & CODE	SCSB / BANK BRANCH SERIAL NO.	<b>2. PAN OF SOLE / FIRST APPLICANT</b> _____ <b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> NSDL _____    CDSL _____ For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID	

PLEASE CHANGE MY APPLICATION     PHYSICAL

Options	No. of Equity Shares applied (Application must be in multiples of 100 equity shares)										Price per Equity Share (₹) 10/-																															
	(In Figures)										(In Figures)																															
Option 1											Issue Price:											Discount, if any										Net Price										
(OR) Option 2	NOT APPLICABLE										NOT APPLICABLE																															
(OR) Option 3	NOT APPLICABLE										NOT APPLICABLE																															

Options	No. of Equity Shares applied (Application must be in multiples of 100 equity shares)										Price per Equity Share (₹) 10/-																															
	(In Figures)										(In Figures)																															
Option 1											Issue Price:											Discount, if any										Net Price										
(OR) Option 2	NOT APPLICABLE										NOT APPLICABLE																															
(OR) Option 3	NOT APPLICABLE										NOT APPLICABLE																															

<b>6. PAYMENT DETAILS</b>		<b>PAYMENT OPTION : Full Payment</b>					
Amount Blocked (₹ in Figures)				(₹ in words)			
ASBA Bank A/c No.							
Bank Name & Branch							
UPI Id							
(Maximum 41 characters)							

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THE APPLICATION FORM AND THE ATTACHED A BRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVER LEAF I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVER LEAF.

<b>7.A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	<b>7.B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	<b>BROKER / SCBSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)</b>
_____ Date: _____, 2018	I/We authorize the SCBSB to do all acts as are necessary to make the Application in the issue: 1) _____ 2) _____ 3) _____	_____ _____

<b>LOGO</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR</b>	Acknowledgement Slip for Broker/SCSB/DP/RTA	<b>Application Form No.</b>
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DPID / CLID		PAN	
Additional Amount Blocked (₹ in figures)		Bank & Branch	
ASBA Bank A/c No./UPI Id			
Received From Mr/Ms			
Telephone / Mobile		Email	

<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR</b>	Option 1	Option 2	Option 3	Stamp & Signature of SCBSB/Broker/DP/RTA	Name of Sole / First Applicant
No. of Equity Shares				_____ _____	_____ _____
Issue Price					
Additional Amount Blocked (₹)					
ASBA Bank A/c No./UPI Id					
Bank & Branch					
<b>Acknowledgment Slip for Applicant</b>					
<b>Application Form No.</b>					

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

TEAR HERE

ISSUE PROGRAMME : ISSUE OPENS ON: [●] ISSUE CLOSES ON: [●]			
<b>COMMON APPLICATION REVISION FORM</b>	<b>XYZ LIMITED - PUBLIC ISSUE- REVISION - R</b> Registered Office: Abcd E fgh I jklm Nopqrst Uvwxyz Abcd E fgh I jklm Nopqrst Uvwxyz, Corporate Office: Abcd E fgh I jklm Nopqrst Uvwxyz, CIN: ABCD1234ABDC123ABCDE, Tel: +91 1234567890; E-mail: abcdefgh@abc.com; Website: www.abcdefghijkl.com	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS	
<b>LOGO</b> To, The Board of Directors XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN - INE1234567890	Application Form No. _____	Date: _____
<b>BROKER'S / SCSSB / DP / RTA STAMP &amp; CODE</b>	<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b>	
		Mr./Ms. _____ Address _____ _____	
<b>SCSSB / BANK BRANCH STAMP &amp; CODE</b>	<b>SCSSB / BANK BRANCH SERIAL NO.</b>	<b>2. PAN OF SOLE/FIRST APPLICANT</b>	
		TIN No (with STD code) / Mobile _____	
		<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> NSDL <input type="checkbox"/> CDSL <input type="checkbox"/>	
		For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 8 digit Client ID _____	
PLEASE CHANGE MY APPLICATION <span style="float: right;">PHYSICAL</span>			
<b>4. FROM (as per last Application or Revision)</b>			
<b>Options</b>	No. of Equity Shares applied (Application must be in multiples of 101 equity shares) (In Figures)	Price per Equity Share (₹) (In Figures)	
		Issue Price	Discount, if any
			Net Price
Option 1			
(OR) Option 2	NOT APPLICABLE		NOT APPLICABLE
(OR) Option 3	NOT APPLICABLE		NOT APPLICABLE
<b>5. TO (Revised Application)</b>			
<b>Options</b>	No. of Equity Shares applied (Application must be in multiples of 101 equity shares) (In Figures)	Price per Equity Share (₹) (In Figures)	
		Issue Price	Discount, if any
			Net Price
Option 1			
(OR) Option 2	NOT APPLICABLE		NOT APPLICABLE
(OR) Option 3	NOT APPLICABLE		NOT APPLICABLE
<b>6. PAYMENT DETAILS</b> <span style="float: right;">PAYMENT OPTION: Full Payment</span>			
Amount Blocked (₹ in Figures) _____ (₹ in words) _____			
ASBA Bank A/c No. _____			
Bank Name & Branch _____			
UPI ID _____ (Maximum 45 characters)			
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABBREVED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVER LEAF I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVER LEAF.			
<b>7A. SIGNATURE OF SOLE / FIRST APPLICANT</b>		<b>7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	
Date: _____, 2019		I/We authorize the SCSSB to do all acts as are necessary to make the Application in the issue	
		1) _____	
		2) _____	
		3) _____	
		<b>BROKER / SCSSB / DP / RTA STAMP</b> (Acknowledging upload of Application in Stock Exchange System)	
TEAR HERE			
<b>LOGO</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - REVISION - R</b>	Acknowledgment Slip for Broker/SCSSB / DP/RTA	Application Form No. _____
DDP/D/CLID _____		PAN _____	
Additional Amount Blocked (₹ in figures) _____		ASBA Bank & Branch _____	
ASBA Bank A/c No./UPI ID _____		Stamp & Signature of SCSSB Branch	
Received from Mr./Ms. _____			
Telephone / Mobile _____ Email _____			
TEAR HERE			
<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - REVISION - R</b>	No. of Equity Shares	Option 1	Option 2
	Issue Price		
	Additional Amount Blocked (₹)		
ASBA Bank A/c No. / UPI ID: _____		Stamp & Signature of SCSSB/Broker/DP/RTA	
Bank & Branch: _____			
		Name of Sole / First Applicant	
		Acknowledgment Slip for Applicant	
		Application Form No. _____	
Important Note: Application made using third party UPI ID or ASBA Bank A/c are liable to be rejected.			

Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

**FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

**FIELD 4 & 5: APPLICATION REVISION "FROM" AND "TO"**

Apart from mentioning the revised options in the Revision Form, the Applicant must also mention the details of the share applied for given in his or her Application Form or earlier Revision Form.

In case of revision of Applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, should not exceed ₹2,00,000/- due to revision and the application may be considered, subject to the eligibility, for allocation under the Non-Institutional Category.

#### **FIELD 6: PAYMENT DETAILS**

Applicants are required to make payment of the full application along with the Revision Form.

Applicant may Issue instructions to block the revised amount in the ASBA Account, to the Designated Branch through whom such Applicant had placed the original Application to enable the relevant SCSB to block the additional Application Amount, if any.

#### **FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

#### **SUBMISSION OF REVISION FORM/ APPLICATION FORM**

Applicants may submit completed application form / Revision Form in the following manner:-

<b>Mode of Application</b>	<b>Submission of application Form</b>
All Investors Application	To the Application Collecting Intermediaries

#### **Section 5: Issue Procedure in Fixed Price Issue**

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue.

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the prospectus with the RoC, the Application so submitted is considered as the application form. Applicants may only use the specified Application Form for the purpose of making an Application in terms of the prospectus which may be submitted through Designated Intermediary.

Applicants may submit an Application Form either in physical/ electronic form to Designated Intermediaries or the Designated Branches of the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form only (“ASBA Account”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

#### **Grounds for technical rejections**

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:-

1. Amount paid does not tally with the amount payable for the Equity shares applied for;
2. In case of partnership firms, Application for Equity Shares made in the name of the individual partners and no firm as such shall be entitled to apply.
3. Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
4. PAN not mentioned in the Application Form.
5. GIR number furnished instead of PAN.
6. Applications for lower number of Equity Shares than the minimum specified for that category of investors;
7. Applications at a price other than the Fixed Price of the Issue;
8. Applications for number of Equity Shares which are not in multiples of applicable lot size;
9. Category not ticked;
10. Multiple Applications as defined in this Draft Prospectus as such, based on common PAN;
11. In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
12. Signature of sole Applicant is missing;

13. Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and prospectus as per the instructions in the prospectus and Application Forms;
14. In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
15. Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
16. Applications by OCBs;
17. Applications by US person other than in reliance on Regulations or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
18. Application not duly signed by the sole applicant;
19. Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
20. Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
21. Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
22. Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals.
23. Application or revision thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹. 200000 received after 3.00 pm on the issue closing date unless the extended time is permitted by BSE.
24. Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
25. Where no confirmation is received from SCSB for blocking of funds;
26. Applications by Applicants not submitted through ASBA process;
27. Applications not uploaded on the terminals of the Stock Exchanges; and
28. Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form.

#### **Details of ASBA Account not provided in the Application form**

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of GID.

APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

#### **Section 6: Issue Procedure in Book Built Issue**

This being Fixed Price Issue, this section is not applicable for this Issue.

#### **Section 7: Allotment Procedure and Basis of Allotment Basis of Allotment**

Allotment will be made in consultation with BSE SME (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here: The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).

The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

For applications where the proportionate allotment works out to less than 1,200 Equity Shares the allotment will be made as follows:

Each successful applicant shall be allotted 1,200 Equity Shares;

The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

If the proportionate allotment to an applicant works out to a number that is not a multiple of 1,200 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 1,200 Equity Shares subject to a minimum allotment of 1,200 Equity Shares.

If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares



are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 1,200 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.

The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Retail Individual applicants as described below:

As per Regulation 32(4) of the SEBI (ICDR) Regulations 2018, as the Retail Individual Investor category is entitled to minimum fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage. Remaining to Individual applicants other than retail individual investors and other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

The unsubscribed portion in either of the categories specified in (a) or (b) above may be available for allocation to the applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with SME Platform of BSE- BSE SME.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

## **DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES**

Designated Date: On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

Issuance of Allotment Advice: Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 5 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within 5 Working Days of the Issue Closing Date,

## **Section 8: Interest and Refunds**

### **COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Issue Closing Date.

### **GROUND FOR UNBLOCKING OF FUNDS**

#### **Non Receipt of Listing Permission**

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Draft Prospectus. The Designated Stock Exchange may be as disclosed in the Draft Prospectus with which the Basis of Allotment may be finalized.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith initiate action to unblock the application amount from the Investors accounts. If such money is not repaid within the eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of Companies Act, and disclosed in the Draft Prospectus.

### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of Companies Act, 2013 if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the prospectus, the application money has to be returned within such period as may be prescribed. If our company does not receive the 100% subscription of the offer through the Offer Document including devolvement of underwriters, if any, within sixty (60) days from the date of closure of the issue, our company shall forthwith unblock the entire application amount received. If there is a delay beyond eighty days after our company becomes liable to pay the amount, our company and every officer in default will, on and from the expiry of this period be jointly and severally liable to repay the money, with interest or other penalty as prescribed under SEBI Regulations, the Companies Act, 2013.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50 no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked within 6 working days of closure of the issue.

Further in accordance with Regulation 267 of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹100000/- (Rupees One Lakh) per application.

The equity shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance without the applicable laws of such jurisdiction.

### **Minimum Number of Allottees**

The Issuer may ensure that the number of prospective allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be unblocked forthwith.

### **MODE OF UNBLOCKING OF FUNDS**

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

#### **8.3.1 Mode of making refunds for Applicants**

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

#### **Interest In Case Of Delay in Allotment**

The Issuer may pay interest at the rate of 15% per annum if demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 Working days of the Issue Closing Date. The Issuer may pay interest at 15% per annum for any delay beyond 6 working days from the Issue Closing Date, if Allotment is not made.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the FEMA and various regulations made thereunder. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”) makes policy announcements on FDI through press notes and press releases which are notified by the RBI as amendments to the FEMA. The DIPP also issues the Consolidated Foreign Direct Investment Policy from time to time. The regulatory framework pertaining to foreign investment, over a period of time, thus, consists of acts, regulations, master circulars, press notes, press releases, and clarifications among other amendments.

The current consolidated FDI policy circular of 2017, dated August 28, 2017 issued by the DIPP (“FDI Policy”) consolidates the policy framework which was in force as on August 28, 2017. All the press notes, press releases, clarifications on FDI issued by DIPP till August 27, 2017 stand rescinded as on August 28, 2017. In terms of the FDI Policy, Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route.

RBI has also issued Master Direction- Foreign Investment in India dated January 4, 2018. In terms of the Master Direction, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter- alia, the pricing guidelines prescribed under the Master Directions.

The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

1. In these Regulations unless the context otherwise requires:
  - (a) "The Company" or this company' means: GREENS FOOD CRAFTS INDIA LIMITED.
  - (b) "the Act" means the "Companies Act, 2013" and every statutory modification or re-enactment thereof and references to Sections or Rules of the Act shall be deemed to mean and include references to sections enacted in modification or replacement thereof.
  - (c) "these Regulations" means these Articles of Association as originally framed or as altered, from time to time.
  - (d) "the Office" means the Registered Office for the time being of the Company.
  - (e) "the Seal" means the common seal of the Company.
  - (f) Words imparting the singular shall include the plural and vice versa, words imparting the masculine gender shall include the feminine gender and words imparting persons shall include bodies corporate and all other persons recognized by law as such.
  - (g) "month" and "year" means a calendar month and calendar year respectively.
  - (h) Expression referring to writing shall be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in visible form.
  - (i) Unless the context otherwise requires, the words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modifications thereof, in force at the date at which these regulations become binding on the Company.
2. The Regulations contained in Table F in Schedule 1 to the Companies Act, 2013 shall not apply to the Company and the Regulations herein contained shall be the regulations for the management of the Company and for the observance of its members and their representatives. They shall be binding on the company and its members as if they are the terms of an agreement between them.

## SHARE CAPITAL

3. The Authorised Share Capital of the company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force on that behalf with the powers to divide the share capital, whether original or increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such manner as may for the time being be provided by the Regulations of the Company and allowed by law.
4. Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Board of Directors, who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such time as they think fit and with full power to give any person the option to call of or be allotted shares of the Company of any class, either at a premium or at par and for such time and for such consideration as the Board of Directors think fit (subject to the provisions of Section 53, 54, 56 and 58 of the Act), provided that option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting. The Board shall cause to be made the returns as the allotment provided for in Section 39 of the Act.
5. Subject to the provisions of these Articles and of the Act, the Company is authorized to issue shares on preferential basis subject to compliance of the provisions of Section 62 (1) (c) read with Section 42 of the Companies Act, 2013.
6. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is on the register shall, for the purposes of the Articles, be a member.
7. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Act, the consent in writing of the holders of three fourths of the issued shares of that class or with a sanction a special resolution passed at a separate meeting of the holders of the shares of that class.  
(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
8. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
9. (1) The company may exercise the powers of paying commissions conferred by Section 40 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required

by the Section.

- (2) The rate of commission shall not exceed the rate of 5% (five percent) of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 5% (five percent) of such price, as the case may be and in the case of debentures 2½% (two and a half per cent) of the price at which the debentures in respect whereof the same is paid are issued or an amount equal to 2½% (two and a half per cent) of such price, as the case may be.
  - (3) The commission may be satisfied by payment in cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.
  - (4) The Company may also, on any issue of shares, pay such brokerage as may be lawful.
10. (1) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment (or within such other period as the conditions of issue shall provide) or within one month after the application for the registration of transfer is received by the Company.
- (a) One certificate for all his shares without payment, or
  - (b) Several certificates, each for one or more of his shares, provided that any subdivision, consolidation or splitting of certificates required in marketable lots shall be done by the Company free of any charges.

(2) Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary;

\*\*\*The Company agrees to issue certificate within the timelines as per the relevant provisions and rules of the Companies Act 2013 from the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within the timelines as per the relevant provisions and rules of the Companies Act 2013 from the date of lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors

Provided that in case the company has a common seal it shall be affixed in the presence of the persons required to sign the certificate.

- (3) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
11. The Company agrees, that it will not charge any fees exceeding those which may be agreed upon with the Stock Exchange.
- (i) for issue of new certificates in replacement of those that are torn out, defaced lost or destroyed;
  - (ii) for sub-division and consolidation of shares and debenture certificates and for subdivision of Letters of Allotment and Split, Consolidation, Renewal and Pucca Transfer Receipts into denominations other than those fixed for the market units of trading".
12. If any shares stands in the names of two or more persons, the person first named in the register of members shall as regards receipt of dividends, the service of notices and subject to the provisions of these Articles, all or any other matter connected with the Company except the issue of share certificates, voting at meeting and the transfer of the share, be deemed the sole holder thereof.
- \*\*\*12A. (1) Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered:
- (a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 62 of the Act.
  - (b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.
  - (c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.

(2) The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.

(3) Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:

Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the company in general meeting

### DEMATERIALISATION OF SHARES

\*\*\*12AA.(1) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialized form and on the same being done, the Company shall further be entitled to maintain a Register of Members/ Debenture holders/ other security holders with the details of members/debenture holders/ other securities both in materialized and dematerialized form in any medium as permitted by the Act.

(2) Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allottee as the Beneficial Owner of the Security.

(3) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.

(4) In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, shall apply.

Provided that in respect of the shares and securities held by the depository on behalf of a beneficial owner, provisions of Section 9 of the Depositories Act shall apply so far as applicable.

(5) Every Depository shall furnish to the Company, information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws of the Depository and the Company in that behalf.

(6) Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act.

### LIEN

13. Subject to the provisions of Companies Act, 2013 the Company shall have a first and paramount lien upon all the shares (not being a fully paid up share) for all monies (presently payable) registered in the name of such member (whether solely or jointly with others) and upon the proceeds of sale thereof for his debts, liabilities and engagements (whether presently payable or not) solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfillment or discharge thereof shall have actually lien or not and such lien shall extend to all dividends, from time to time, declared in respect of shares, subject to section 123 of the Companies Act 2013. The Board of Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this clause.

\*\*\*13A. Every fully paid shares shall be free from all lien and that in the case of partly paid shares the Issuer's lien shall be restricted to moneys called or payable at fixed time in respect of such shares;

14. The Company may sell, in such manner as the Board think fit, any share on which the Company has a lien provided that no sale shall be made :-

(a) unless a sum in respect of which the lien exists is presently payable; or

- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
15. (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (2) The purchaser shall be registered as the shareholder of the shares comprised in any such transfer.
- (3) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale.
16. (1) The proceeds of the sale shall be received by the company and applied in payment of the whole or part of the amount in respect of which the lien exist as is presently payable.
- (2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares as the date of sale, be paid to the person entitled to the shares at the date of the sale.

### CALLS ON SHARES

17. (1) The Board of Directors may, from time to time, make calls upon the members in respect of money unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- (2) Each member shall, subject to receiving at least Fourteen days notice specifying the time or times and place of payment of the call money pay to the Company at the time or times and place so specified, the amount called on his shares.
- (3) A call may be revoked or postponed at the discretion of the Board.
18. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed. Call money may be required to be paid by instalments.
19. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
20. (1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten percent or at such lower rate, if any as the Board may determine.
- (2) The Board shall be at liberty to waive payment of any such interest wholly or in part.
21. (1) Any sum which by the terms of issue of a share become payable on allotment or at any fixed date, whether on account of the nominal value of the shares or by way of premium, shall for purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (2) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
22. Subject to the provisions of Section 50 and 179 of the Act, the Board :-
- (a) May, if it thinks fit, receive from any member willing to advance all or any part of the money uncalled and unpaid upon any shares held by him; and
- (b) If it thinks fit, may pay interest upon all or any of the moneys advanced on uncalled and unpaid shares (until the same would but for such advance become presently payable) at such rate not exceeding, unless the Company in general meeting shall otherwise direct, 12% (twelve percent) per annum as may be agreed upon between the Board and the member paying the sums or advances, Money so paid in advance shall not confer a right to dividend or to participate in profits.
23. On the trial or hearing on any suit or proceedings brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of members of the company as a holder

or one of the holders of the number of shares in respect of which such claim is made and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who resolved to make any call, nor that a quorum of Directors was present at Board Meeting at which any call was resolved to be made, nor that the meeting at which any call was resolved to be made was duly convened or constituted nor any other matter, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

24. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall, preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

#### **TRANSFER AND TRANSMISSION OF SECURITIES**

25. The Company shall keep a "Register of Transfers" and therein shall fairly and distinctly enter particulars of every transfer or transmission of any share(s) or securities.
26. (1) the instrument of transfer of any securities in the Company shall be executed by or on behalf of both the transferor and the transferee;  
 (2) the transferor shall be deemed to remain a holder of the security until a properly signed deed of transfer is received by the Company within 2 months of its execution and proper note thereof has been taken and name of transferee has been entered in the Register of Members/Securities, as the case may be;  
 (3) that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law;  
 (4) that a common form of transfer shall be used;  
 (5) that fully paid shares shall be free from all lien and that in the case of partly paid shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares;  
 (6) that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;  
 (7) that any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits;  
 (8) that option or right to call of shares shall not be given to any person except with the sanction of the Company in general meetings;  
 (9) Permission for Sub-Division/Consolidation of Share Certificate.
27. The instrument of transfer shall be in writing and all the provisions of Companies Act 2013 and modification thereof for the time being shall be complied with in respect of all transfers of shares and registration thereof.
28. Unless the Directors decide otherwise, when an instrument of transfer is tendered by the transferee, before registering any such transfer, the Directors shall give notice by letter sent by registered acknowledgement due post to the registered holder that such transfer has been lodged and that unless objection is taken the transfer will be registered. If such registered holder fails to lodge an objection in writing at the office within ten days from the posting of such notice to him, he shall be deemed to have admitted the validity of the said transfer. Where no notice is received by the registered holder, the Directors shall be deemed to have decided not to give notice and in any event to the non-receipt by the registered holder of any notice shall not entitle him to make any claim of any kind against the Company or the Directors in respect of such non-receipt.

#### **TRANSFER OF SECURITIES**

29. The Board of Directors may, subject to the right of appeal conferred by Section 58 of the Companies Act, 2013 decline to register :-  
 (a) the transfer of a share not being a fully paid up share, to a person of whom they do not approve; or  
 (b) any transfer of the share on which the Company has a lien, provided that the registration transfer shall not be refused on the ground of transferor being either alone or jointly with any person or persons indebted to the Company on any account except a lien.
30. The Board may decline to recognize any instrument of transfer unless:-  
 (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;  
 (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and  
 (c) the instrument of transfer is in respect of only one class of shares.
31. All instruments of transfer which shall be registered shall be retained by the Company, but may be destroyed upon the expiration of such period as the Board may from time to time determine. Any instrument of transfer which the Board declines to register shall (except in any case of fraud) be returned to the person depositing the same.



32. (a) On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:  
Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
- (b) There shall be no charge for :
- (i) registration of shares or debentures.
  - (ii) sub-division and/or consolidation of shares and debentures certificates and sub-division of Letters of Allotment and split consolidation, renewal and pucca transfer receipts into denominations corresponding to the market unit or trading;
- (c) sub-division of renounceable Letters of Right;
- (d) issue of new certificates in replacement of those which are decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised;
- (e) registration of any Powers of Attorney, Letter of Administration and similar other documents.

#### TRANSMISSION OF SECURITIES

33. (a) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.  
(b) Nothing in clause (a) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
34. (a) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either :-  
(i) to be registered himself as holder of the share; or  
(ii) to make such transfer of the share as the deceased or insolvent member could have made.  
(b) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
35. (a) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.  
(b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.  
(c) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
36. On the transfer of the share being registered in his name a person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.  
  
Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.
37. Where the Company has knowledge through any of its principal officers within the meaning of Section 2 of the Estate Duty Act, 1953 of the death of any member of or debenture holder in the company, it shall furnish to the controller within the meaning of such section, the prescribed particulars in accordance with that Act and the rules made thereunder and it shall not be lawful for the Company to register the transfer of any shares or debentures standing in the name of the deceased, unless the transferor has acquired such shares for valuable consideration or a certificate from the Controller is produced before the Company to the effect that the Estate Duty in respect of such shares and debentures has been paid or will be paid or that none is due, as the case may be.

38. The Company shall incur liability whatever in consequence of its registering or giving effect, to any transfer of share made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right, title of interest to or in the said shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company though not bound so to do, shall be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

#### FORFEITURE OF SHARES

39. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
40. The notice aforesaid shall:-
- (a) name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
41. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time, thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the date of forfeiture, which shall be the date on which the resolution of the Board is passed forfeiting the shares.
42. (1) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.  
(2) At any time before a sale or disposal, as aforesaid, the Board may annul the forfeiture on such terms as it thinks fit.
43. (1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which, at date of forfeiture, were presently payable by him to the Company in respect of the shares together with interest thereon from the time of forfeiture until payment at the rate of 9 % (nine percent) per annum.  
(2) The Liability of such person shall cease if and when the Company shall have received payments in full of all such money in respect of the shares.
44. (1) A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.  
(2) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off.  
(3) The transferee shall thereupon be registered as the holder of the share.  
(4) The transferee shall not bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale of disposal of the share.
45. The provisions of these regulations as to forfeiture shall apply, in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
46. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incidental thereto except only such of those right as by these Articles are expressly saved.
47. Upon any sale, after forfeiture or for enforcing a lien in purported exercise of powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be

entered in the Register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings or to be application of the purchase money and after his name has been entered in the Register in respect of such shares, the validity, of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

48. Upon any sale, re-allotment or other disposal under the provisions of these Articles relating to lien or to forfeiture, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect. When any shares, under the powers in that behalf herein contained are sold by the Board and the certificate in respect thereof has not been delivered up to the Company by the former holder of such shares, the Board may, issue a new certificate for such shares distinguishing it in such manner as it may think fit, from the certificate not so delivered.
49. The Directors may subject to the provisions of the Act, accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof.

### CONVERSION OF SHARES INTO STOCK

50. The Company may, by an ordinary resolution:-
  - (a) convert any paid-up shares into stock; and
  - (b) reconvert any stock into paid-up shares of any denomination authorised by these regulations.
51. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit:

Provided the Board may, from time to time, fix the minimum amount of Stock transferable, so however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

52. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regard dividends voting and meeting of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
53. Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholder" respectively.

### SHARE WARRANTS

54. The Company may issue share warrant, subject to and in accordance with, the provisions of the Companies Act 2013 and accordingly the Board may in its discretion with respect of any share which is fully paid up, on application in writing signed by the person registered as holder of the share and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application and on receiving the certificate (if any) of the share; and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.
55. (1) The bearer of a share warrant may at any time deposit the warrant at the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company and of attending and voting and exercising, the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant.
  - (2) Not more than one person shall be recognised as depositor of the share warrant.
  - (3) The Company shall, on two days written notice, return the deposited share warrant to the depositor.
56. (1) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling meeting of the Company or attend or vote or exercise any other privilege of a member at a meeting of the company or be entitled to receive any notice from the Company.

- (2) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the register of member as the holder of the shares including in the warrant and he shall be deemed to be a member of the Company in respect thereof.
57. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction of the original.

#### ALTERATION OF CAPITAL

58. The Company may, from time to time, by ordinary resolution increase its share capital by such sum, to be divided into shares of such amount, as the resolution shall specify.
59. The Company may, by ordinary resolution in general meeting :
- (a) consolidate and divide all or any of its capital into shares of larger amounts than its existing shares :
  - (b) sub-divide its shares or any of them, into shares of similar amounts than is fixed by the Memorandum of Association, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
  - (c) cancel any share which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
60. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law :-
- (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.
61. The Company may, from time to time, by special resolution and on compliance with the provisions of Section 66 of the Act, reduce its share capital.
62. The Company shall have power to establish Branch Offices, subject to the provisions of the Act or any statutory modifications thereof.
63. The Company shall have power to pay interest out of its capital on so much of shares which were issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provision of any plant for the Company in accordance with the provisions of the Act.
64. The Company, if authorised by a special resolution passed at a General Meeting may amalgamate or cause itself to be amalgamated with any other person, firm or body corporate, subject however, to the provisions of Section 230 to 232 of the Act.

#### BUY-BACK OF SHARES

65. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### GENERAL MEETING

66. All General Meetings other than the Annual General Meetings of the Company shall be called Extra-Ordinary General Meetings.
67. (1) The Board may, whenever it thinks fit call an Extraordinary General Meeting.  
(2) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### CONDUCT OF GENERAL MEETINGS

68. No general meeting, annual or extraordinary, shall be competent to enter upon, discuss or transact any business which has not been stated in the notice by which it was convened or called.

69. (1) No business shall be transacted at any general meeting, unless a quorum of members is present at the time when the meeting proceeds to business.  
(2) Save as otherwise provided in Section 103 of the Act, a minimum of:-  
a) five members personally present if the number of members as on the date of meeting is not more than one thousand;  
b) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;  
c) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;  
Furthermore, A body corporate, being member, shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.

#### CONDUCT OF MEETINGS

70. The Chairman, if any of the Board shall preside as Chairman at every general meeting of the company.
71. If there is no such Chairman or if he is not present within fifteen minutes of the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the Directors present shall elect one of their members to be the Chairman of the meeting.
72. If at any meeting no Director is willing to act as Chairman or if no Director is present within 15 (fifteen) minutes of the time appointed for holding the meeting, the members present shall choose one of their members to be the Chairman of the meeting.
73. No business shall be discussed at any general meeting except the election of a Chairman, whilst the chair is vacant.
74. (1) The Chairman may with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn the meeting, from time to time and place to place.  
(2) No business shall be transacted at any adjourned meeting, other than the business left unfinished at the meeting from which the adjournment took place.  
(3) When a meeting is adjourned for thirty days or more, fresh notice of any adjourned meeting shall be given as in the case of an original meeting.  
(4) Save as aforesaid, it shall not be necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting.
75. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes places or at which the poll is demanded shall be entitled to a second or casting vote.
76. Any business other than that upon which a poll has been demanded, may be proceeded with, pending the taking of the poll.

#### VOTES OF MEMBERS

77. Subject to any rights or restrictions for the time being attached to any class or classes of shares:  
(a) on a show of hands, every member present in person shall have one vote; and  
(b) on a poll, the voting rights of members shall be as laid down in Section 47 of the Act.
78. In the case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names of joint holders stand in the Register of members.
79. A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian, and any such committee or guardian may on a poll, vote by proxy, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the office not less than 24 hours before the time of holding the meeting or adjourned meeting at which such person claims to vote on poll.
80. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
81. No member shall be entitled to vote at any general meeting unless all calls and other sums presently payable by him in respect of shares in the Company or in respect of shares, on which the Company has exercised any right of lien, have been paid.

82. (1) No objection shall be raised to the qualification of any voter, except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.  
(2) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision thereon shall be final and conclusive.
83. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
84. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
85. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### BOARD OF DIRECTORS

86. The number of Directors of the Company shall not be less than three and not more than fifteen.
87. The subscribers to the Memorandum of Association shall be first Directors of the company.
88. At every Annual General Meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation in accordance with the provisions of Section 152 of the Act or if their number is not three or a multiple of three, then the number nearest to one third shall retire from office in accordance with the provisions of Sections 152 of the Act.
89. (1) Subject to the provisions of the Companies Act, 2013 and Rules made there under each Director shall be paid sitting fees for each meeting of the Board or a committee thereof, attended by him a sum not exceeding Rs. 2,000/- (Rupees Two Thousand Only).  
(2) Subject to the provisions of Section 197 of the Act, the Directors shall be paid such further remuneration, whether in the form of monthly payment or by a percentage of profit or otherwise, as the Company in General Meeting may, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and in such manner as the Board may, from time to time, determine and in default of such determination, shall be divided among the directors equally of is so determined paid on a monthly basis.  
(3) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.  
(4) Subject to the provisions of Sections 197 of the Act, if any Director be called upon to perform any extra services or make special exertions or efforts (which expression shall include work done by a Director as a member of any committee formed by the Directors) the Board may pay such Director special remuneration for such extra services or special exertions or efforts either by way of a fixed sum or by percentage of profit otherwise and may allow such Director at the cost and expense of the Company such facilities or amenities (such as rent free house, medical aid and free conveyance) as the Board may determine from time to time.  
(5) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid in accordance with company's rules to be made by the Board all travelling, hotel and other expenses properly incurred by them: -  
(a) In attending and returning from meetings or adjourned meeting of the Board of Directors or any committee thereof; or  
(b) In connection with the business of the Company.
90. The Directors shall not be required to hold any qualification shares in the Company.
91. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.  
Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
92. If it is provided by any trust deed securing or otherwise in connection with any issue of debentures of the Company that any person or persons shall have power to nominate a Director of the Company then in the case of any and every such issue of debentures, the persons having such power may exercise such power, from time to time and appoint a

Director accordingly. Any Director so appointed is herein referred to as a Debenture Director. A Debenture Director may be removed from office at time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A debenture Director shall not be liable to retire by rotation.

93. In the course of its business and for its benefit the Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm, corporation, government, financing institution or other authority that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Directors may deem fit. Such nominees and their successors in office appointed under this Article shall be called Nominee Directors. Nominee Directors shall be entitled to hold office until requested to retire by the government, authority, person, firm, institution or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Nominee Director vacates office whether upon request as aforesaid or by death, resignation or otherwise the government, authority, person, firm, institution or corporation who appointed such Nominee Director may if the agreement so provide, appoint another Director in his place.
94. Subject to the provisions of Section 161 of the Act, the Board of Directors shall have power to appoint an alternate Director to act for a Director during his absence for a period of not less than three months from India.
95. The Directors shall have power, at any time and from time to time, to appoint any qualified person to be a director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall held office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated as aforesaid but he shall then be eligible for re-election.
96. A person may be or become a director of any company promoted by the company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as director or shareholder of such company. Such Director, before receiving or enjoying such benefits in case in which the provisions of Section 188 of the Act are attracted will ensure that the same have been complied with.
97. Every nomination, appointment or removal of a Special Director shall be in writing and in accordance with the rules and regulations of the government, corporation or any other institution. A Special Director shall be entitled to the same rights and privileges and be subject to same obligations as any other Director or the Company.
98. The office of a Director shall become vacant:-
  - (i) on the happening of any of the events provided for in Section 167 of the Act;
  - (ii) on the contravention of the provisions of Sections 188 of the Act, or any statutory modifications thereof;
  - (iii) if a person is a Director of more than twenty Companies at a time, out of which not more than 10 (Ten) shall be Public Companies.
  - (iv) in the case of alternate Director on return of the original Director to the State, in terms of Section 161 of the Act; or
  - (v) on resignation of his office by notice in writing and is accepted by the Board.
99. Every Director present at any meeting of the Board or a committee thereof shall sign his name in a book to be kept for that purpose, to show his attendance thereat.

#### **POWERS OF BOARD OF DIRECTORS**

100. The Board of directors may pay all expenses incurred in the formation, promotion and registration of the Company.
101. The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of those Sections) make and vary such regulations as it may think fit with respect to the keeping of any such register.
102. The Directors may enter into contracts or arrangements on behalf of the Company subject to the necessary disclosures required by the provisions of Section 184 of the Act being made wherever any Director is in any way, whether directly or indirectly concerned or interested in the contract or arrangements.

#### **BORROWING POWER**

103. Subject to the provisions of Sections 73, 76, 179, and 180 of the Act, and the Regulations thereunder and Directions issued by the RBI, Directors may exercise all the powers of the company to borrow money and to mortgage or charge its undertaking, property (both present and future), or any part thereof and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

104. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit subject to the provisions of Section 73 & 76 of the Act and rules framed thereunder.
105. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

#### PROCEEDINGS OF THE BOARD

106. Subject to Section 174 of the Act, the quorum for a meeting of the Board of Directors shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two Directors, whichever is higher; provided that where at any time the number of interested Directors exceeds or is equal to two thirds of the total strength, the number of the remaining Directors, that is to say, the number of directors, who are not interested, present at the meeting, being not less than two, shall be the quorum during such time.
107. The participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under clause 105 of the Articles.
108. If a meeting of the Board could not be held for want of quorum, whatever number of Directors not being less than two, shall be present at the adjourned meeting, notice where of shall be given to all the Directors, shall form a quorum.
109. (1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of vote.  
(2) In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote.
110. The continuing Directors may act notwithstanding any vacancy in the Board, but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or for summoning a General meeting of the Company, but for no other purpose.
111. (1) The Board may elect one of its members as Chairman of its meetings and determine the period for which he is to hold office as such.  
(2) If no such Chairman is elected or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be Chairman of the meeting.
112. Subject to the restrictions contained in Section 179 & 180 of the Act, the Board may delegate any of its powers to committees of the Board consisting of such member or members of its body as it think fit and it may, from time to time, revoke such delegation and discharge any such committee of the Board either wholly or in part, and either as to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
113. The meetings and proceedings of any such committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last proceeding Article.
114. (1) A committee may elect a chairman of its meetings.  
(2) If no such chairman is elected or if at any meeting the chairman is not present within five minutes of the time appointed for holding the meeting, the members present may choose one of their members to be chairman of the meeting.
115. (1) A committee may meet and adjourn as it think proper.  
(2) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present and in case of an equality of votes, the chairman shall have a second or casting vote.
116. All acts done by any meeting of the Board or by a committee thereof by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment or continuance in office of any such Directors or persons acting as aforesaid: or that they or any of them were disqualified or had vacated office or were not entitled to act as such or that the appointment of any of them had been terminated by virtue of any



provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, had duly continued in office was qualified, had continued to be a Director his appointment had not been terminated and he had been entitled to be a Director provided that nothing in this Article shall be deemed to give validity to any act done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

117. Subject to Section 175 of the Act and except a resolution which the Act requires specifically to be passed in any board meeting, a resolution in writing, signed by the majority members of the Board or of a committee thereof; for the time being entitled to receive notice of a meeting of the Board or committee, shall be as valid and effectual as if it had been passed at a meeting of the Board or committee, duly convened and held.

#### **MANAGING DIRECTOR(S) AND WHOLE TIME DIRECTOR(S)**

118. Subject to provisions of Section 196 & 197 of the Act, the Board of Directors may, from time to time, appoint one or more of their body to the office of Managing Directors or whole time Directors for a period not exceeding 5 (five) years at a time and on such terms and conditions as the Board may think fit and subject to the terms of any agreement entered into with him, may revoke such appointment, and in making such appointments the Board shall ensure compliance with the requirements of the Companies Act, 2013 and shall seek and obtain such approvals as are prescribed by the Act, provided that a Director so appointed, shall not be whilst holding such office, be subject to retirement by rotation but his appointment shall automatically be determined if he ceases to be a Director.
119. The Board may entrust and confer upon Managing Director/s or whole time Director/s any of the powers of management which would not otherwise be exercisable by him upon such terms and conditions and with such restrictions as the Board may think fit, subject always to the superintendence, control and direction of the Board and the Board may, from time to time revoke, withdraw, alter or vary all or any of such powers.
120. Subject to Section 203 of the Act, a Secretary of the Company may be appointed by the Board on such terms, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board.

#### **THE SEAL**

121. (1) The Board shall provide a common seal for the purposes of the Company and shall have power, from time to time, to vary or cancel the same and substitute a new seal in lieu thereof. The Board shall provide for the safe custody of the seal for the time being.
- (2) Subject to any statutory requirements as to Share Certificates or otherwise, the seal of the company shall not be affixed to any Instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### **DIVIDENDS AND RESERVES**

122. The Company in General meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
123. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
124. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
125. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
126. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
127. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.  
(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
128. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
129. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
130. No dividend shall bear interest against the Company, irrespective of the reason for which it has remained unpaid.

#### ACCOUNTS

131. (1) The Board shall cause proper books of accounts to be maintained under Sections 128 & 129 of the Act.  
(2) The Board shall, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company or any or them, shall be open to the inspection of members not being Directors.  
(3) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

132. Balance Sheet and Profit and Loss Account of the Company will be audited once in a year by a qualified auditor for correctness as per provision of the Act.

#### AUDIT

133. (a) The first Auditor of the Company shall be appointed by the Board of Directors within thirty days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.  
(b) The auditor shall be hold office from the conclusion of First Annual General Meeting till conclusion of Sixth Annual General Meeting  
(c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.  
(d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.

#### CAPITALISATION OF PROFITS

134. (1) The company in General Meeting may, upon the recommendation of the Board resolve:-  
(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss Account, or otherwise available for distribution; and  
(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) among the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.  
(2) The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provisions contained in clause (3), either in or towards :-  
(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;  
(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or  
(iii) partly in the way specified in sub-clause (i) and partly in that is specified in sub-clause (ii).

(3) Any share/securities premium account and any capital redemption reserve fund may, for the purpose of this regulation, only be applied in the paying up of unissued share to be issued to members of the Company as fully paid bonus shares.

(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

135.(1) Whenever such as resolution as aforesaid shall have been passed, the Board shall:-

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, if any; and

(b) do all acts and things required to give effect thereto.

(2) The Board shall have full power :-

(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions; and also

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(3) Any agreement made under such authority shall be effective and binding on all such members.

#### SECRECY

136. Subject to the provisions of law of land and the act, every manager, auditor trustee, member of a committee, officer servant, agent accountant or other persons employed in the business of the company shall, if so required by the Board of Directors before entering upon his duties, sign, declaration, pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself, not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the directors or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.

#### WINDING UP

137. Subject to the provisions of Chapter XX of the Act and rules made thereunder:-

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### INDEMNITY

138. Subject to the provisions of Companies Act 2013, every Director, Manager, Auditor, Secretary and other officers or servants of the Company shall be indemnified, out of the assets of the Company against any bonafide liability incurred by him in defending any bonafide proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 463 of the Companies Act 2013, in which relief is granted to him by the Court.

*\*New set of articles of association adopted by the members at the Extra-Ordinary General Meeting held on 21<sup>st</sup> March, 2018*

*\*\* New set of Articles of Association adopted by the members at the Extra-ordinary General Meeting held on 6<sup>th</sup> April, 2019, consequent to conversion of the Company into "Public Limited".*

*\*\*\*Clauses inserted vide special resolution passed by the members at the Extra-ordinary General Meeting held on 4<sup>th</sup> June, 2019*

**SECTION XII: OTHER INFORMATION****MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Prospectus will be delivered to the ROC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 325, 5<sup>th</sup> Cross, 14<sup>th</sup> Main, Palace Orchards, Sadashiva Nagar, Bangalore- 560080, Karnataka, India from date of filing the Draft Prospectus with ROC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

**Material Contracts**

1. Issue Agreement dated June 13, 2019 between our Company and the LM.
2. Registrar Agreement dated [●] between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated [●] between our Company and Underwriter viz. LM.
4. Market Making Agreement dated [●] between our Company, the Market Maker and the LM.
5. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated February 08, 2019.
6. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated [●].
7. Banker's to the Issue Agreement dated [●] between our Company, the LM, Escrow Collection Bank and the Registrar to the Issue.

**Material Documents**

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation as amended from time to time.
2. Board resolution dated May 25, 2019 and special resolution passed pursuant to Section 62(1) (C) of the Companies Act, 2013 at the EGM by the shareholders of our Company held on June 04, 2019.
3. Statement of Tax Benefits dated May 25, 2019 issued by the auditor, Dinesh Bhatkal & Associates, Chartered Accountants.
4. Copy of Restated Audit report from the peer review certified auditor, A Biyani & Co., Chartered Accountants, dated May 25, 2019 included in the Draft Prospectus.
5. Copies of Annual reports of the Company for the years ended March 31, 2018, 2017 and 2016.
6. Consents of Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Review Auditor, Legal Advisor to the Issue, Bankers to our Company, Banker to the Issue, Sponsor Bank, Lead Manager, Registrar to the Issue, Underwriter and Market Maker to include their names in the Draft Prospectus to act in their respective capacities.
7. In-principle listing of Approval dated [●] from the BSE Limited for listing the Equity Shares on the SME Platform of BSE.

Any of the contracts or documents mentioned in the Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

### DECLARATION

We, the person/persons mentioned herein below, as Directors or otherwise, as mentioned, certify that all relevant provisions of the Companies Act, 2013, the guidelines issued by the Government of India and the regulations and guidelines issued by Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with while issuing the Draft Prospectus. No statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Companies Act, 1956, to the extent applicable and the Securities and Exchange Board of India Act, 1992, each as amended from time to time or the rules made there under or regulations and guidelines issued, as the case may be. We further certify that all the statements made in the Draft Prospectus are true and correct.

#### SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Mr. Satish Madhavanarayanan Managing Director and CFO DIN: 07552104	Sd/-
Mr. Jagadeesh Bommegowda Executive Director DIN: 08293531	Sd/-
Mr. Anil Chennalinge Gowda Non-Executive Director & Promoter DIN: 05208453	Sd/-
Mrs. Meenakshi Gundlupet Venkatappa Non - Executive Director DIN: 08304644	Sd/-
Mrs. Prathima Gowda Kudige Gurappa Non - Executive Independent Director DIN: 08303477	Sd/-
Ms. Krithi Raj Non - Executive Independent Director DIN: 06644108	Sd/-
[•] Company Secretary and Compliance Officer PAN:	Sd/-

Date: 14/06/2019

Place: Bangalore, Karnataka.