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## PROSPECTUS

Dated: March 5, 2025

Please read section 32 of the Companies Act, 2013

100% Book Built Offer



### BALAJI PHOSPHATES LIMITED

Corporate Identity Number: U24123MP1996PLC067394

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
305, Utsav Avenue, 12/5, Usha Ganj Jaora Compound, Indore G.P.O., Indore (Madhya Pradesh)- 452001	Ms. Deepika Singh Company Secretary and Compliance Officer	Email: infous@balajiphosphates.com Tel: +919827090267	<a href="http://www.balajiphosphates.com">www.balajiphosphates.com</a>

#### PROMOTERS OF OUR COMPANY: MR. ALOK GUPTA AND MR. MOHIT AIREN

DETAILS OF THE OFFER				
TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL ISSUE SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBS, NIIS AND RIIS
Fresh Issue and Offer for Sale	Up to 59,40,000 equity shares of Rs. 10 each for cash at a premium of ₹ 60/- per share aggregating up to ₹ 4,158 Lakhs	Up to 12,18,000 equity Shares of Rs. 10 each for cash at a premium of ₹ 60/- per share aggregating up to ₹ 852.60 Lakhs	Up to 71,58,000 equity Shares of Rs. 10 each for cash at a premium of ₹ 60/- per share aggregating up to ₹ 5,010.60 Lakhs	The Issue is being made in terms of Regulation 229(2) and 253(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"). For details in relation to share reservation among Qualified Institutional Buyers, Non-Institutional Investors and Retail Individual Investors, see "Offer Structure" on page 323

#### DETAILS OF OFFER FOR SALE

Name of Selling Shareholder	Type	Number Of Shares Offered /Amount (₹ In Lakhs)	Weightage Average Cost of Acquisition Per Equity Shares (In ₹) *
Mr..Alok Gupta	Promoter	6,09,000 Shares aggregating to ₹ 426.30 lakhs	2.80
Mr. Mohit Airen	Promoter	6,09,000 Shares aggregating to ₹ 426.30 lakhs	2.78

\* As certified by Bagaria & Co, LLP Co, and Mishra Rajiv Kamal & Associates Chartered Accountants by way of their certificate dated February 20, 2025

#### RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of each equity share is ₹ 10. The Floor Price, the Cap Price and the Issue Price, (as determined by our Company in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in "Basis for Issue Price" on page 89, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company, or regarding the price at which the Equity Shares will be traded after listing.

#### GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. 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 in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 25.


#### OUR COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Promoter Selling Shareholder accepts responsibility for and confirms the statements made in this Prospectus to the extent of information specifically pertaining to them and their portion of the Offered Shares, and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect


#### LISTING

The Equity Shares, once offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (NSE EMERGE). Our company has received "in-principle" approval from the NSE Emerge for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated January 28, 2025. For the purpose of the offer, the designated stock exchange shall be NSE. A copy of this Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 372

#### BOOK RUNNING LEAD MANAGER

Name and logo of Book Running Lead Manager	Contact Person	Email and Telephone
 Arihant Capital Markets Limited	Amol Kshirsagar/Satish Kumar Padmanabhan	Telephone: +91 22 4225 4800 Email: mbd@arihantcapital.com

#### REGISTRAR TO THE OFFER

Name and logo of Registrar	Contact Person	Email and Telephone
 Skyline Financial Services Private Limited	Anuj Rana	Tel No.: 011-40450193-97 Email: ipo@skylinert.com

#### BID/ISSUE PERIOD

ANCHOR INVESTOR BID/ISSUE PERIOD : THURSDAY, FEBRUARY 27, 2025*	BID/ISSUE OPENED ON : FRIDAY, FEBRUARY 28, 2025*	BID/ISSUE CLOSED ON : TUESDAY, MARCH 4, 2025**
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\* Our Company and promoter selling shareholder may in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.

\*\*Our Company and Promoter Selling Shareholder may in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue; The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.



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## PROSPECTUS

**Dated:** March 5, 2025

Please read section 32 of the Companies Act, 2013

100% Book Built Offer



### BALAJI PHOSPHATES LIMITED

Our company was originally incorporated as Balaji Phosphates Private Limited on April 4, 1996, pursuant to Certificate of Incorporation issued by the Registrar of Companies, Kanpur, under the provisions of the Companies Act, 1956. Following a Special Resolution passed at an Extraordinary General Meeting (EGM) on September 7, 2023, the company was converted from a private limited company to a public limited company. Concurrently, the company's name was changed to "Balaji Phosphates Limited." Upon this conversion, a new Certificate of Incorporation was issued by the Registrar of Companies, Gwalior, dated September 18, 2023, with Corporate Identification Number (CIN) U24123MP1996PLC067394. For further details regarding the name change and the registered office of the company, please refer to the section titled "History and Certain Corporate Matters" starting on page 150.

**Registered and Corporate Office:** 305 Utsav Avenue, 3rd Floor, 12/5 Ushaganj Jaora Compound, Indore G.P.O., Indore (Madhya Pradesh)- 452001.

**Contact Person** Deepika Singh, Company Secretary & Compliance Officer; **Tel:** +919827090267.

**E-mail:** infous@balajiphosphates.com, **Website:** [www.balajiphosphates.com](http://www.balajiphosphates.com).

#### OUR PROMOTERS: MR ALOK GUPTA AND MR. MOHIT AIREN

**INITIAL PUBLIC OFFER OF UPTO 71,58,000\*EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF BALAJI PHOSPHATES LIMITED ("THE COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 70/- PER EQUITY SHARE (THE "OFFER PRICE"), (INCLUDING A PREMIUM OF ₹ 60/- PER EQUITY SHARE), AGGREGATING UPTO ₹ 5,010.60 LAKHS ("THE OFFER"), COMPRISING OF FRESH OFFER OF UP TO 59,40,000 EQUITY SHARES AGGREGATING UP TO ₹ 4,158 LAKHS (THE "FRESH ISSUE") ("THE ISSUE") AND AN OFFER FOR SALE OF UP TO 12,18,000 EQUITY SHARES BY MR. ALOK GUPTA AND MR. MOHIT AIREN ("SELLING SHAREHOLDER") AGGREGATING TO ₹ 852.60 LAKHS ("OFFER FOR SALE"). THE OFFER INCLUDES A RESERVATION OF 3,58,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN OFFER PRICE OF ₹ 70/- PER EQUITY SHARE FOR CASH, AGGREGATING TO ₹ 250.60 LAKHS ("THE MARKET MAKER RESERVATION PORTION"). THE OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF 68,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH FOR CASH AT A PRICE OF ₹ 70/- PER EQUITY SHARE, AGGREGATING TO ₹ 4,760 LAKHS IS HERE IN AFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER WILL CONSTITUTE 30.10 % AND 28.60 % RESPECTIVELY OF THE POST OFFER PAID UP EQUITY SHARE CAPITAL OF THE COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED "TERMS OF THE OFFER" BEGINNING ON PAGE NO 311 OF THIS PROSPECTUS.**

\*SUBJECT TO FINALISATION OF BASIS OF ALLOTMENT

**THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND SELLING SHAREHOLDER IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITIONS OF FINANCIAL EXPRESS (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER); ALL EDITION OF JANSATTA (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND INDORE EDITION OF INDORE SAMACHAR, A REGIONAL NEWSPAPER HINDI BEING THE REGIONAL LANGUAGE OF INDORE WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE EMERGE") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS")**

In case of any revision to the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the website of the BRLM and at the terminals of the Syndicate Member(s) and by intimation to the Designated Intermediaries and the Sponsor Bank, as applicable.

This is an Issue in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 30% of the Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs and such portion, the "QIB Portion"), and such portion, the "QIB Portion"), provided that our Company and the Promoter Selling Shareholder, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for the domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (the "Net QIB Portion"). Further, 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 30% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 40% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders (other than Anchor Investors), are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) and UPI ID in case of UPI Bidders (as defined hereinafter), in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Bank(s) under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA processor under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. For details, see "Issue Procedure" beginning on page 328 of this Prospectus.

#### RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the equity shares is ₹ 10 each. The Floor Price, the Issue Price or the Price Band as (determined by our Company in consultation with the BRLM, in accordance with the SEBI ICDR Regulations and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Issue Price" on page 89), should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company, or regarding the price at which the Equity Shares will be traded after listing.

#### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 25.

#### OUR COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Promoter Selling Shareholders accepts responsibility for and confirms the statements made in this Prospectus to the extent of information specifically pertaining to them and their portion of the Offered Shares, and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect

#### LISTING

The Equity Shares of our Company offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"), in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated 28 January 2025 from National Stock Exchange of India ("NSE") for using its name in the Red Herring Prospectus for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"). For the purpose of this Issue, National Stock Exchange of India Limited ("NSE") shall be the Designated Stock Exchange. A copy of this Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 372





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## PROSPECTUS

**Dated:** March 5, 2025

Please read section 32 of the Companies Act, 2013  
100% Book Built Offer

BOOK RUNNING LEAD MANAGER		REGISTRAR TO THE OFFER	
			
<p><b>Arihant Capital Markets Limited</b> 1011 Building No. 10, Solitaire Corporate Park, Guru Hargovindji Road, Chakala, Andheri (East), Mumbai – 400 093 <b>Telephone:</b> +91- 22-4225 4800 <b>Email:</b> <a href="mailto:mbd@arihantcapital.com">mbd@arihantcapital.com</a> <b>Website:</b> <a href="http://www.arihantcapital.com">www.arihantcapital.com</a> <b>Investor Grievance E-Mail:</b> <a href="mailto:balajiipo@arihantcapital.com">balajiipo@arihantcapital.com</a> <b>Contact Person:</b> Amol Kshirsagar /Satish Kumar Padmanabhan <b>SEBI Registration Number:</b> INM000011070</p>		<p><b>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED</b> D-153 A, 1st Floor Okhla Industrial Area, Phase-I New Delhi - 110020, Delhi, India <b>Tel No.:</b> 011-40450193-97 <b>Email:</b> <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a> <b>Investor Grievance Email :</b> <a href="mailto:grievances@skylinerta.com">grievances@skylinerta.com</a> <b>Website:</b> <a href="http://www.skylinerta.com">www.skylinerta.com</a> <b>Contact Person:</b> Anuj Rana <b>SEBI Registration No.:</b> INR000003241</p>	
BID/ISSUE PROGRAMME			
<b>ANCHOR INVESTOR BID/ISSUE PERIOD</b>		27 <sup>th</sup> February 2025*	
<b>BID/ISSUE OPENED ON</b>		28 <sup>th</sup> February 2025**	
<b>BID/ISSUE CLOSED ON</b>		04 <sup>th</sup> March 2025^	

\* Our Company and promoter selling shareholder may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Issue Opening Date.

\*\* Our Company and promoter selling shareholder may, in consultation with the BRLM, consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulation.

^UPI mandate end time and date shall be at 5:00 p.m. on the Bid/ Issue Closing Date.

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## CHAPTER - I - GENERAL

### DEFINITION AND ABBREVIATIONS

Unless the context otherwise indicates or implies or unless otherwise specified, the following terms and abbreviations have the following meanings in this Prospectus, and references to any statute or rules or guidelines or regulations or circulars or notifications or policies will include any amendments, clarifications, modifications, replacements or re-enactments notified thereto, from time to time.

The words and expressions used but not defined in this Prospectus will (to the extent applicable) have the same meaning as assigned to such terms under the Companies Act 2013, the Securities and Exchange Board of India Act, 1992 (the 'SEBI Act'), the Securities Contracts (Regulation) Act, 1956 (the 'SCRA'), the Depositories Act, 1996 (the 'Depositories Act') and the rules and regulations made thereunder

Notwithstanding the foregoing, terms used in the section titled “*Main Provision Of Articles Of Association*”, “*Statement of Possible Tax Benefits*”, “*Industry Overview*”, “*Key Industry Regulations and Policies*”, “*Restated Financial Statement*”, “*Outstanding Litigation and Material Developments*”, “*Basis for Offer Price*” and “*Government and Other key Approvals*”, beginning on pages 357, 98, 101 142, 185, 287, 89 and 293 and respectively, in this Prospectus, will have the meaning ascribed to such terms in these respective section.

#### GENERAL TERMS AND COMPANY RELATED TERMS

Term	Description
Company, We, Us, Our, Issuer, Balaji Phosphates Limited	Unless the context otherwise indicates or implies “ <b>Balaji Phosphates Limited</b> ”, formerly known as Balaji Phosphates Private Limited, a Public Limited Company incorporated under the provision of Companies Act, 1956 and having its Registered Office at 305 Utsav Avenue, 3 <sup>rd</sup> Floor, 12/5 Ushaganj Jaora Compound, Indore G.P.O., Indore (Madhya Pradesh) -452001
Promoter(s) / Core Promoter(s)	Mr. Alok Gupta and Mr. Mohit Airen
Promoter Group	Such persons, entities and companies constituting our Promoter group pursuant to Regulation 2(1) (pp) of SEBI ICDR Regulations as disclosed in the chapter titled “ <b>Our Promoter and Promoter Group</b> ” beginning on page 177 of this Prospectus
Subsidiary	As on the date of this Prospectus, the subsidiary of our Company is Jyoti Weighing Systems Pvt. Ltd.
“you”, “your” or “yours”	Prospective Investors in this Offer

#### COMPANY RELATED TERMS

Term	Description
AOA / Articles / Articles of Association	The Articles of Association of Balaji Phosphates Limited, as amended from time to time
Auditors / Statutory Auditors / Peer Review Auditor/ Joint Statutory Auditor	The current Joint Statutory Auditor of our Company, being M/S Mishra Rajiv Kamal & Associates., Chartered Accountants (FRN: 006752C) having Peer Review Number : 018692 and Bagaria & Co. LLP (FRN: 113447W/W-100019) having Peer Review Number: 014670
Audit Committee	The Audit Committee of our Board, as described in the chapter titled “ <b>Our Management</b> ” beginning on page 154 of this Prospectus
Addendum	The addendum dated January 27, 2025 to the Draft Red Herring Prospectus
Board / Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted from time to time including any Committees thereof as the context may refer to the chapter titled “ <b>Our Management</b> ” beginning on page 154 of this Prospectus
Banker to our Company	Axis Bank Limited and Yes Bank Limited
BID Lot	2,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Mr. Ravindra Kumar Chourishi
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Ms. Deepika Singh
Corporate Identification Number (CIN)	U24123MP1996PLC067394
Depositories Act	The Depositories Act, 1996, as amended from time to time
DIN	Director Identification Number
Director(s)	Director(s) on the Board of Balaji Phosphates Limited as appointed from time to time, unless otherwise specified

Term	Description
Equity Shares/Shares	Equity Shares of our Company having face value of ₹ 10/- each, fully paid up, unless otherwise specified in the context thereof
Equity Shareholders / Shareholders	Persons /entities holding Equity Shares of our Company
Group Companies	Companies (other than our Promoters and subsidiaries) with which there were Related Party Transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards and also other companies as considered material by our Company, and as disclosed in the chapter titled <b>“Our Group Companies”</b> beginning on page no182 of this Prospectus
Independent Director	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer to the chapter titled <b>“Our Management”</b> beginning on page 154 of this Prospectus
ISIN	International Securities Identification Number is INE0PQ601019
Key Management Personnel /KMP	Key Management Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer to the chapter titled <b>“Our Management”</b> beginning on page 154 of this Prospectus
Managing Director	Managing Director of our Company, Mr. Mohit Airen. For details, please refer to the chapter titled <b>“Our Management”</b> beginning on page 154 of this Prospectus
Market maker	The Market Maker of our Company being NNM Securities Private Limited
Materiality Policy	The policy adopted by our Board on July 02,2024 for identification of group companies of our Company, outstanding litigation and outstanding dues to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI (ICDR) Regulations.
MoA / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Nomination & Remuneration Committee	The Nomination and Remuneration Committee of our Board described in the chapter titled <b>“Our Management”</b> beginning on page 154 of this Prospectus
NRIs / Non-Resident Indian	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
Net Offer/ Issue	The Issue (excluding the Market Maker Reservation Portion of 3,58,000 Equity Shares) i.e. 68,00,000 Equity Shares of face value ₹10.00 each fully paid-up of our Company for cash at a price of ₹ 70/- per Equity Share aggregating up to ₹ 4,760 Lakhs
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Promoter Group	Such individuals and entities which constitute the promoter group of our Company pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations. For further details regarding promoter group of our company, please refer to chapter titled “Our Promoters and Promoter Group” beginning from page no. 177 of this Prospectus
Registered Office	Registered Office of the Company is presently situated at 305 Utsav Avenue, 3rd Floor, 12/5 Ushaganj Jaora Compound, Indore G.P.O., Indore (Madhya Pradesh) - 452001
Registrar of Companies / ROC / RoC	Registrar of Companies, Gwalior
Restated Financial Statements	The Restated Financial Statements of the Company comprising the Restated Statement of Assets and Liabilities for the period ended August 31, 2024 and Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022, the restated statement of profit and loss (including other comprehensive income), the Restated Statement Of Cash Flows and the Restated Statement of Changes In Equity for stub period ended for August 31, 2024 and for Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the Significant Accounting Policies and other explanatory information prepared in terms of the Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India, as amended disclosed in the chapter titled <b>“Restated Financial Statements”</b> beginning on page 185 of this Prospectus
Shareholders/ Members	Holders of Equity Shares of our Company from time to time.
Stakeholders’ Relationship Committee	The Stakeholders Relationship Committee of the Board of Directors constituted as the Company’s Stakeholders’ Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014



Term	Description
	and described in the chapter titled <b>“Our Management”</b> beginning on page 154 of this Prospectus
Whole-time Director	Whole-time director(s) of our Company

## OFFER RELATED TERMS

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under SEBI ICDR Regulations and appended to the Application Forms.
Acknowledgement Slip	The acknowledgement slips or document issued by the Designated Intermediary to a Bidder as proof of having accepted the Application Form.
Allot / Allotment / Allotted / Allotment of Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Offer of Equity Shares to the successful Bidders.
Allottee(s)	A successful Bidder to whom the Equity Shares are being allotted.
Allotment Advice	Note or advice or intimation of allotment sent to each successful Bidder who has been or is to be allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Allotment Date	Date on which the allotment is made.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company and Selling Shareholder in consultation with the Book Running Lead Manager during the Anchor Investor Application/Offer Period.
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and Selling Shareholder, in consultation with the BRLM.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Promoter Selling Shareholder in consultation with the BRLM, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations.  One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid / Offer Closing Date
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of the Red Herring Prospectus. All the applicants should make application through ASBA only.
Application Amount	The amount at which the Bidder makes an application for Equity Shares of our Company in terms of the Red Herring Prospectus.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by Bidders to make an application and authorize an SCSB to block the application Amount in the ASBA Account.
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by Bidder for blocking the application Amount mentioned in the ASBA Form.
ASBA Bidder	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form including through UPI mode (as applicable)
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidder which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Bankers to the Company	Axis Bank Limited and Yes Bank Limited
Banker to the Offer / Refund Banker / Public Issue Bank	Collectively, Escrow Collection Bank, Public Issue Bank, Sponsor Bank and Refund Bank, as the case may be. In this case, being, Axis Bank Limited
Bankers to the Offer Agreement	Banker to the Offer Agreement entered on February 20, 2025 amongst our Company, Book Running Lead Manager, the Registrar to the Offer and Banker to the Offer / Sponsor Bank for collection of the Application Amount on the terms and conditions thereof
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, described in the chapter titled <b>“Offer Procedure”</b> beginning on page 328 of this Prospectus
Bid	An indication to make an offer during the Bid/ Offer Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Offer

<b>Term</b>	<b>Description</b>
	Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	2,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and Indore Edition of Regional newspaper Indore Samachar, where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Offer closing Date also to be notified on the website and terminals of the Syndicate, SCSB’s and Sponsor Bank, as required under the SEBI ICDR Regulations.
Bid/ Offer Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date or the QIB Bid/ Offer Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Offer Period shall be kept open for a minimum of three Working Days for all categories of Bidders.
Bidder/ Applicant	Any prospective investor who makes a bid pursuant to the terms of the Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor
Bidding	The process of making a Bid.
Bidding/ Collection Centers	Centers at which the Designated intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centers for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process/ Book Building Method	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
Book Running Lead Manager/ BRLM	The Book Running Lead Manager to the Offer namely, Arihant Capital Markets Limited
Brokers Centers	Broker centers notified by the Stock Exchanges, where the Bidders can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the name and contact details of the Registered Brokers, are available on the website of the NSE Limited on the following link <a href="https://www.nseindia.com/invest/content/arbitration_reports/report_1c_2018_19.htm">https://www.nseindia.com/invest/content/arbitration_reports/report_1c_2018_19.htm</a>
Business Day	Any day on which commercial banks are open for the business
CAN /Confirmation of Allocation Note	A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the price band above which the Offer Price and the Anchor Investor Offer Price will not be finalized and above which no Bids will be accepted. The Cap Price shall not be more than 120% of the Floor Price, provided that the Cap Price shall be at least 105% of the Floor Price.
Client ID	Client Identification Number of the Beneficiary Account
Collection Centers	Broker Centers notified by National Stock Exchange of India Limited 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 website of the <a href="http://www.nseindia.com">www.nseindia.com</a>
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Offer and the Stock Exchange
Cut-off Price	The Offer Price, as finalized by our Company and Selling Shareholder, in consultation with the Book Running Lead Manager which shall be any price within the Price Band. Only Retail



Term	Description
	Individual Bidders Bidding in the Retail Portion, are entitled to Application at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Application at the Cut-off Price
Demographic Details	The demographic details of the Bidder such as their address, PAN, occupation, bank account details and UPI ID (as applicable)
Depositories	National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) or any other Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depository Participant/DP	A depository participant registered with SEBI under the Depositories Act
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid-Cum-Application Forms are available on the website of the Stock Exchange <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus and this Prospectus, following which the Board may Allot Equity Shares to successful Bidders in the Offer
Designated Intermediaries	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Bidder, in relation to the Offer
Designated Market Maker	NNM Securities Private Limited 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
Designated RTA Locations	Such locations of the RTAs where Bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the website of Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a> and the website of RTA, <a href="http://www.skylinerta.com">www.skylinerta.com</a>
Designated SCSB Branches	Such Branches of the SCSBs which shall collect the ASBA Forms used by the Bidder, a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>
DP ID	Depository Participant's Identity Number
Designated Stock Exchange	SME Platform of National Stock Exchange (NSE EMERGE)
Draft Red Herring Prospectus	The Draft Red Herring Prospectus dated 30 <sup>th</sup> September, 2024 filed with NSE in accordance with the SEBI ICDR Regulations
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Offer and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to Equity Shares issued thereby, and who have opened dematerialized accounts with SEBI registered qualified depository participants, and are deemed as FPIs under SEBI FPI Regulations
SME Exchange / Stock Exchange / NSE/EMERGE	The Emerge Platform of National Stock Exchange of India Limited, approved by SEBI as an EMERGE Exchange for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations
Escrow Account(s)	Account opened with the Escrow Collection Bank(s) and in whose favour the Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bidder Amount
Escrow Agreement	Agreement dated February 20, 2025 entered among our Company, the Registrar to the Issue, the Escrow Collection Bank(s), Refund Bank(s) and the Book Running Lead Manager for the collection of Application Amounts and where applicable, for remitting refunds, on the terms and conditions thereof
Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an Offer and with whom the Escrow Accounts will be opened, in this case being Axis Bank Limited
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

Term	Description
First Bidder	Bidder whose name appears first in the Application Form in case of a joint application form and whose name shall also appear as the first holder of the beneficiary account held in joint names or in any revisions thereof
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted
Fresh Issue	The Fresh Issue of upto 59,40,000 Equity shares having face value of ₹ 10 each aggregating to ₹ 4,158 Lakhs by our company.
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under SEBI FPI Regulations
General Corporate Purpose	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any Offer related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document
General Information Document/ GID	The General Information Document for investing in public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, notified by SEBI, suitably modified and included in the chapter titled <b><i>“Offer Procedure”</i></b> beginning on page 328 of this Prospectus
Gross Proceeds	Gross proceeds of the Fresh Issue that will be available to our Company.
Listing Agreement	The Listing Agreement to be signed between our Company and NSE.
KPI	Key Performance Indicator
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment
Market Making Agreement	The Market Making Agreement dated February 19, 2025 between our Company, the Book Running Lead Manager and Market Maker
Market Maker Reservation Portion	The reserved portion of 3,58,000 Equity Shares of face value of ₹ 10 /- each fully paid-up for cash at a price of ₹ 10/- per Equity Share aggregating to ₹ 250.60 Lakhs for the Market Maker in this Offer
MSME	Micro Small and Medium Enterprises
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
NSE	National Stock Exchange of India Limited
Offer	Initial public offer of up to 71,58,000 Equity Shares for cash at a price of ₹ 70/- per Equity Share (including a share premium of ₹ 60/- per equity share) aggregating to ₹ 5,010.60 Lakhs. The Offer comprises of a Fresh Issue of up to 59,40,000 Equity Shares aggregating to ₹ 4,158 Lakhs and an Offer for Sale of up to 12,18,000 Equity Shares aggregating to ₹ 852.60 Lakhs by Balaji Phosphates Limited
Net Proceeds	The Offer Proceeds less the offer related expenses. For further details regarding the use of the Net Proceeds and the offer expenses, see <i>“Objects of the offer”</i> beginning on page 78 of this Prospectus.
Non-Institutional Bidders / Non-Institutional Investor / NIB/ NII	All Bidders (including Eligible NRIs), who are not QIBs or Retail Individual Bidders and who have applied for Equity Shares for an amount of more than ₹ 2,00,000
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Offer Agreement	The agreement dated September 19, 2024 between our Company, and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer Closing Date	The date on which the Offer closes for subscription
Offer Opening Date	The date on which the Offer opens for subscription
Offer / Offer Size / Public Offer / IPO	Initial Public Offer of 71,58,000 equity shares of face value of ₹ 10/- each (“equity shares”) of the Company for cash at a price of ₹ 70/- per equity share (including a share premium of ₹ 60/- per equity share) (“Offer price”) aggregating up to ₹ 5,010.60 lakhs comprising a fresh issue of up to 59,40,000 equity shares of face value of ₹ 10/- each aggregating up to ₹ 4,158 lakhs by our Company (“Fresh Issue”) and Offer for Sale of upto 12,18,000 equity shares of face value of ₹ 10/- each aggregating up to ₹ 852.60 lakhs by the Selling shareholders (“Offer for Sale”)
Offer Period	The period between the Offer Opening Date and the Offer Closing Date (inclusive of such date and the Offer Opening Date) during which prospective Bidders can submit their Application Forms, inclusive of any revision thereof. Provided however that the applications shall be kept open for a minimum of three (3) Working Days for all categories of Bidders. Our Company

Term	Description
	and Selling Shareholder, in consultation with the Book Running Lead Manager, may decide to close applications by QIBs one (1) day prior to the Offer Closing Date which shall also be notified in an advertisement in same newspapers in which the Offer Opening Date was published
Offer Price	₹ 70/- per Equity Share, being the final price within the Price Band at which the Equity Shares will be Allotted to successful Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors* at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company and Selling Shareholder, in consultation with the Book Running Lead Manager *The Company may, in consultation with the Book Running Lead Manager, considered participation by Anchor Investors in accordance with the SEBI ICDR regulations
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Promoter Selling Shareholder
Offered Shares	Upto 12,18,000 Equity Shares of Face Value ₹10 per share aggregating upto ₹ 852.60 Lakhs being offered by the selling shareholders in the offer for sale.
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 Offer
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership firm, limited liability partnership firm, 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 may require
Price Band	Price Band of a minimum price (Floor Price) of ₹ 66/- and the maximum price (Cap Price) of ₹ 70/- and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid/ Issue Opening Date.
Prospectus	The Prospectus, to be filed with the RoC containing, inter alia, the Offer opening and Closing date and other information
Public Offer Account	Account opened with the Banker to the Offer to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date
QIBs or Qualified Institutional Buyers	Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of SEBI ICDR Regulations
QIB Portion	The portion of the Offer being not more than 30% of the Offer or 20,40,000 Equity Shares, available for allocation to QIBs (including Anchor Investors*) on a proportionate basis (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company and Selling Shareholder in consultation with the BRLM, subject to valid Applications being received at or above the Offer Price * The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR regulations
Refund Account	Account to which Application monies are to be refunded to the Bidders
Refund through electronic transfer of funds	Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable
Refund Bank / Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Offer at which the Refund Account will be opened, in this case being Axis Bank Limited
Registered Brokers	Stockbrokers registered under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992, with the Stock Exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/ CFD/ 14/ 2012 dated October 4, 2012 issued by SEBI
Registrar Agreement	The agreement dated February 18, 2025 entered between our Company, and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar pertaining to the Offer.
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 to the Offer/Registrar	Registrar to the Offer being Skyline Financial Services Private Limited
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000

Term	Description
Revision Form	The form used by the Bidder, to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s) QIB Bidder and Non-Institutional Bidder are not allowed to lower their Application Forms (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Bidders can revise their Application Forms during the Offer Period and withdraw their Application Forms until Offer Closing Date
Red Herring Prospectus (RHP)	The Red Herring Prospectus dated February 21, 2025 issued in accordance with the SEBI ICDR Regulations
EMERGE	EMERGE SME Stock Exchange Platform of NSE.
Source Material	Source material includes the story, screenplay, dialogues, etc. that acts as a foundation before moving on to the production phase.
Self-Certified Syndicate Bank(s) / SCSBs	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> and <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> , or such other website as may be prescribed by SEBI from time to time In relation to Applications (other than Applications by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application cum Application Forms from the members of the Syndicate is available on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> ) and updated from time to time. For more information on such branches collecting Application cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> as updated from time to time. In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> ) respectively, as updated from time to time
Selling Shareholders	Mr. Alok Gupta and Mr. Mohit Airen
Sponsor Bank	Sponsor Bank being Axis bank Limited being a Banker to the Offer, appointed by our Company 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 RIIs using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars
Specified Locations	Collection centers where the SCSBs shall accept application form, a list of which is available on the website of SEBI ( <a href="https://www.sebi.gov.in/">https://www.sebi.gov.in/</a> ) and updated from time to time
Stock Exchange	EMERGE platform of National Stock Exchange of India Limited (NSE SME)
Share Escrow Agent	Escrow agent appointed pursuant to the Share Escrow Agreement, namely Skyline Financial Services Private Limited
Share Escrow Agreement	Agreement dated February 19, 2025 to be entered into amongst our Company, the Selling Shareholder and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees
Syndicate Member	Intermediaries registered with the SEBI eligible to act as syndicate member and who is permitted to carry on the activity as an underwriter
TRS / Transaction Registration Slip	The slip or document issued by the Designated Intermediary (only on demand), to the Bidder, as proof of registration of the Application Form
Underwriter	NNM Securities Private Limited and Arihant Capital Markets Ltd
Underwriting Agreement	The Agreement dated February 19, 2025 entered between the Underwriter, Selling Shareholder and our Company
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidder	Collectively, individual investors applying as (i) Retail Individual Bidders, in the Retail Portion, and (ii) Non-Institutional Bidders with an application size of up to ₹500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s)

Term	Description
	submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹500,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an Offer and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL-2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular with circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular with circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.
UPI ID	ID Created on the UPI for single-window mobile payment system developed by NPCI
UPI PIN	Password to authenticate UPI transaction
UPI Mandate Request	A request (intimating the RIIs by way of a notification on the UPI application and by way of a SMS directing the RIIs to such UPI mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to application Amount and subsequent debit of funds in case of Allotment In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> ) respectively, as updated from time to time
UPI Mechanism	The bidding mechanism that may be used by RIIs in accordance with the UPI Circulars to make an ASBA Application in the Offer
U.S Securities Act	U.S Securities Act of 1933, as amended
Wilful Defaulter or a fraudulent borrower	An entity or a person categorized as a Wilful defaulter or fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1) (III) of the SEBI ICDR Regulations
Working Days	In accordance with Regulation 2(1) (mmm) of SEBI (ICDR) Regulations, 2018, working days means, all days on which commercial banks in Indore are open for business. However, in respect of- (a) announcement of Price Band; and (b) Issue period, working days shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Indore are open for business; (c) the time period between the Bid/ Issue Closing Date and the listing of the Equity Shares on the Stock Exchange, working day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI.

## CONVENTIONAL AND GENERAL TERMS

Term	Description
ACIT	Assistant Commissioner of Income Tax.

Term	Description
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, 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, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made there under.
Companies Act /Companies Act, 2013	Companies Act, 2013, along with the relevant rules made there under.
Competition Act	The Competition Act, 2002.
FCNR Account	Foreign currency non-resident account.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there under
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2017 and as amended from time to time.
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.
Fugitive economic offender	“Fugitive economic offender” shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
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 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 Insider Trading regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI 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	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended thereto, including instructions and clarifications issued by SEBI from time to time
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.
State Government	The government of a state of the Union of India.
STT	Securities Transaction Tax.

Term	Description
Sub-account	Sub-accounts registered with SEBI under the SEBI FII Regulations other than sub-accounts which are foreign corporate or foreign individuals.
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI VCF Regulations.

## CONVENTIONAL AND GENERAL TERMS & ABBREVIATIONS

Term	Description
A/c	Account
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
AS / Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
Bn	Billion
BRLM	Book Running Lead Manager
CAGR	Compounded Annual Growth Rate
CARO	Companies (Auditor's Report) Order, 2016, as amended
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
COPRA	The Consumer Protection Act, 1986
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The current consolidated FDI Policy, effective from October 15, 2020 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
Contract Act	The Indian Contract Act, 1872
CSR	Corporate Social Responsibility
CY	Calendar Year
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP	Depository Participant
DP ID	Depository Participant's identity number
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
Electricity Act	The Electricity Act, 2003
EPFO	Employees' Provident Fund Organization
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	The Employees' State Insurance Act, 1948
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign Direct Investment
FEMA Act/ 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, 2017 and amendments thereto
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations



Term	Description
Financial Year / Fiscal Year / FY	Unless stated otherwise, the period of twelve (12) months ending March 31 of that particular year
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GoI/Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	The Central Goods and Services Tax Act, 2017
GST	Goods and Services Tax
GSTIN	GST Identification Number
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
IBEF	India Brand Equity Foundation
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IEC	Import Export Code
IEM	Industrial Entrepreneurs Memorandum
IFRS	International Financial Reporting Standards
₹ / Rupees / INR / Rs.	Indian Rupees
IGST	Integrated GST
Ind AS	Indian Accounting Standard
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
IT Act	Income-tax Act, 1961
KMP	Key Managerial Personnel
Ltd.	Limited
LMs	Lead Managers
IT Act	Income-tax Act, 1961
IT Rules	Income Tax Rules, 1962
Kms	Kilometres
LC	Letter of Credit
LIBOR	London Interbank Offered Rate
MCA	Ministry of Corporate Affairs, Government of India
MCLR	Marginal cost of funds-based lending rate
Mn	Million
Mutual Fund(s)	Mutual Fund(s) means mutual funds registered under SEBI (Mutual Funds) Regulations, 1996
MoU	Memorandum of Understanding
N.A. / NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NR	Non-resident
NRE Account	Non-Resident External Account
NRI	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NSE Emerge	EMERGE Platform of National Stock Exchange of India Limited
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
RBI	Reserve Bank of India

Term	Description
RONW	Return on Net Worth
RoCE	Return on Capital Employed
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEZ	Special Economic Zones
SEBI	The Securities and Exchange Board of India constituted under SEBI Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments 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 Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
SEBI Takeover Regulations/ SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Sq. metres	Square Metres
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
VCFs	Venture capital funds as defined in and registered with SEBI under SEBI VCF Regulations or SEBI AIF Regulations, as the case may be
WCTL	Working Capital Term Loan
WEO	World Economic Outlook
WHO	World Health Organization
YoY	Year on Year

## INDUSTRY RELATED TERMS

Term	Description
ATMA	Agricultural Technology Management Agency
AMI	Agricultural Marketing Infrastructure
BTU	British Thermal Unit
CSR	Corporate Social Responsibility
CPI	Consumer Price Index
DPI	Digital Public Infrastructure
DAP	Diammonium phosphate
DBT	Direct Benefit Transfer provided by the Government of India
ERP	Enterprise Resource Planning
EMDE	Emerging Market and Developing Economies
EECA	Eastern European and Central Asian countries
FY	Financial Year
GIS	Geographic Information System
GDP	Gross Domestic Products
GVA	Gross Value Added
HDPE	High Density PolyEthylene
HFSA	Hydrofluorosilicic Acid
ISAM	Integrated scheme for Agricultural Marketing
ICRA	ICRA Limited, formerly Investment Information and Credit Rating Agency of India Limited
ICAR	Indian Council of Agricultural Research
IDAP	Imported Di-Ammonium Phosphate
IDEA	India Digital Ecosystem of Agriculture
IFA	International Fertilizer Association
IFMS	Integrated Fertilizer Management System
IMOP	Imported Muriate of Potash
IMS Policy	Integrated Management System Policy

IMF	International Monetary Fund
IoT	Internet of Things
ISMS	Information Security Management System
K <sub>2</sub> O	Potassium Oxide
Mandis	Agricultural Markets
MAP	Mon ammonium phosphate
MT	Metric Tonne
MFMS	Mobile Fertilizer and Management System
MRP	Maximum Retail Price
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
NeGP-A	National e-Governance Plan in Agriculture
NABARD	National Bank of Agriculture and Rural Development
NCDC	National Cooperative Development Cooperation
NBS Policy	Nutrient-Based Subsidy Policy introduced in Financial Year 2011
NICRA	National Innovations in Climate Resilient Agriculture
NPK	Nitrogen-Phosphorous-Potassium
OECD	Organization for Economic Cooperation and Development
P <sub>2</sub> O <sub>5</sub> -HSS	Phosphorus pentoxide – High Seas Sail
Phosphate Rock	Raw material which is processed to produce phosphorous
Phospho-gypsum	Compound containing Sulphur and Calcium in the ratio of 17:21
PoS machines	Point of Sale machines
PMFME	PM Formalisation of Micro Food Processing Enterprises Scheme
PPE	Property, Plant & Equipment
Rake Points	The destination point for rail cargo
RLNG	Regasified Liquefied natural gas
SAP S/4 HANA	An integrated ERP analytic business solution that allows us to perform transactions and analyse our business data in real-time
SPN	Speciality Plant Nutrients
SSP	Single Superphosphate
WEO	World Economic Outlook
Zypmite	A micro-nutrient mixture containing Sulphur, Zinc, Boron, Calcium and Magnesium

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

### **Certain Conventions**

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

Unless otherwise specified, any time mentioned in this Prospectus is in Indian Standard Time ("IST"). Unless indicated otherwise, all references to a year in this Prospectus are to a calendar year.

In this Prospectus, the terms "Balaji Phosphates Limited", "The Company", "Our Company", "We", "Us", "Our", "Issuer Company" or "Issuer" unless the context otherwise indicates or implies, refers to "Balaji Phosphates Limited".

In this Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lac / Lakh" means "one hundred thousand", the word "million (mn)" means "Ten Lac / Lakh", the word "Crore" means "ten million" and the word "billion (bn)" means "one hundred crores". In this Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### **FINANCIAL DATA**

Unless stated otherwise, the financial data included in this Prospectus are extracted from the Financial Statements, for the Period ended August 31, 2024 and Financial Year 2024, 2023 & 2022 of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations and Guidance Note on 'Reports in Company Prospectus (Revised 2019)' issued by ICAI, as stated in the report of our Statutory Auditor, as set out in the section titled "Financial Information" beginning on page 185 of this Prospectus.

In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 (twelve) month period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a 'year' in this Prospectus are to a calendar year.

There are significant differences between Indian GAAP, IFRS and US GAAP. Our Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on our Company's financial data. Accordingly, to what extent, the financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in "Risk Factors", "Our Business" and 'Management Discussion and Analysis of Financial Position and Results of Operations' beginning on 25,116,261 respectively, of this Prospectus, and elsewhere in this Prospectus have been calculated on the basis of the Restated Financial Statements of our Company.

### **CURRENCY, UNITS OF PRESENTATION AND EXCHANGE RATES**

All references to 'Rupees', 'Rs.' or '₹' are to Indian Rupees, the official currency of the Republic of India. All references to 'US\$' or 'US Dollars' or 'USD' are to United States Dollars, the official currency of the United States of America.

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

### **DEFINITIONS**

For definitions, please refer the section titled "Definitions and Abbreviations" beginning on page 1 of this Prospectus. In the section titled "Main Provisions of Articles of Association" beginning on page 357, of this Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

### **INDUSTRY AND MARKET DATA**

Unless stated otherwise, the industry and market data and forecasts used throughout this Prospectus has been obtained from industry sources as well as Government publications. Industry sources as well as Government 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 and underlying assumptions are not guaranteed and their reliability cannot be assured. Further, the extent to which the industry and market data presented in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD-LOOKING STATEMENTS

This Prospectus contains certain statements, which are not statements of historical fact and may be described as “forward-looking statements”. These forward-looking statements include statements which can generally be identified by words or phrases such as “aim”, “anticipate”, “are likely”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “may”, “likely”, “objective”, “plan”, “propose”, “will continue”, “seek to”, “will achieve”, “will likely”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, plans, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Prospectus that are not historical facts. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations, and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

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

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

- Our ability to compete effectively.
- General economic and business conditions in India and other countries;
- Ability to offset increase in input and operating costs through increase in sale price
- Changes in government policies especially with regard to fertilizer industry
- Ability to retain the customers is dependent upon various factors including our reputation and our ability to maintain product quality;
- We operate in a significantly fragmented and competitive market in each of our product segments;
- Our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks that have an impact on our business activities or investments;
- Changes in the value of the Rupee and other currencies; and
- The occurrence of natural disasters or calamities;

Forward-looking statements reflect the current views of our Company as of the date of this Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs, assumptions, current plans, estimates and expectations, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Neither our Company, our Directors, our Promoters, the Book Running Lead Manager, the Syndicate Members nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Share forming part of the Issue from the date of this Prospectus until the time of the grant of listing and trading permission by the Stock Exchange.

## SUMMARY OF OFFER DOCUMENT

This chapter is a general summary of certain disclosures included in this Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including the chapters titled “Risk Factors”, “The Offer”, “Capital Structure”, “Industry Overview”, “Our Business”, and “Outstanding Litigation and Other Material Developments” beginning on pages 25, 47, 65, 101, 117 and 287 respectively of this Prospectus.

### PRIMARY BUSINESS OF OUR COMPANY

Our company is engaged in the production of NPK Granulated and Mixed Fertilizers, as well as Zinc Sulfate (21%). We focus on manufacturing Phosphate Fertilizers, offering a diverse range of products including Single Super Phosphate (SSP) in both powder and granulated forms. Our SSP products are produced in accordance with the Fertilizer Control Order of India standards. Our facility has an installed capacity of 120,000 MTPA for SSP and 3,300 MTPA for Zinc Sulfate. SSP is a key contributor to our revenue. Our manufacturing plant is located at 23-B, 24-A, A.B. Road, Industrial Area No.1, Dewas-455001, Madhya Pradesh.

For Detailed information on our business, please refer to the section titled “Our Business” beginning from page 117 of this Prospectus.

### SUMMARY OF THE INDUSTRY IN WHICH OUR COMPANY OPERATES

Our Company operates in the fertilizer sector which is dependent on Agriculture.

As per the Second Advance Estimates of National Income, the share of GVA of agriculture and allied sectors in the total economy in 2022-23 was 18.3%, with a growth rate of 3.3%. Between April 2000-September 2023, FDI in agriculture services stood at US\$ 4.77 billion. According to Bain & Co., the Indian agricultural sector is predicted to increase to US\$ 30-35 billion by 2025.

### NAME OF THE PROMOTERS OF OUR COMPANY

Promoters of Our Company are Mr. Alok Gupta and Mr. Mohit Airen.

For further details, please refer section “Our Promoter and Promoter Group” beginning from Page 177 of this Prospectus.

### OFFER SIZE

Initial Public Offer of up to 71,58,000 Equity Shares of face value of ₹ 10/- each of Balaji Phosphates Limited (the “Company” or the “Issuer”) for cash at a price of ₹ 70/- per Equity Share including a share premium of ₹ 60/- per Equity Share (the “Issue Price”) aggregating to ₹ 5,010.60 lakhs (“The Offer”), comprising a Fresh Issue of up to 59,40,000 Equity Shares of Face Value of ₹ 10/- each aggregating up to ₹ 4,158 lakhs by our Company (“Fresh Issue”) and an Offer For Sale of up to 12,18,000 Equity Shares (“Offered Shares”) aggregating up to ₹ 852.60 lakhs comprising of up to 6,09,000 Equity Shares of Face Value of ₹ 10/- each aggregating up to ₹ 426.30 lakhs by Mr. Mohit Airen, up to 6,09,000 Equity Shares of Face Value of ₹ 10/- each aggregating up to ₹ 426.30 lakhs by Mr. Alok Gupta, (collectively, “Selling Shareholders” and such Offer for Sale of Equity Shares by the Selling Shareholders, “Offer for Sale”). Out of the Offer 3,58,000 Equity Shares of Face Value of ₹ 10/- each aggregating to ₹ 250.60 lakhs will be reserved for subscription by Market Maker to the Issue (the “Market Maker Reservation Portion”). The Offer less the Market Maker Reservation Portion i.e. Net Offer of up to 68,00,000 Equity Shares of Face Value of ₹ 10/- each at a price of ₹ 70/- per Equity Share including a share premium of ₹ 60/- per Equity Share aggregating to ₹ 4,760 lakhs is hereinafter referred to as the “Net Offer”. The Offer and the Net Offer will constitute 30.10 % and 28.60 %, respectively, of the post issue paid up equity share capital of our Company.

For further details kindly refer to chapters titled “The offer” and “Terms of the offer” beginning on page 47 and 311 of this Prospectus.

### OBJECTS OF THE ISSUE

Our Company proposes to utilize the net proceeds of the funds which are being raised through the Fresh Issue towards the below-mentioned objects:

Sr. No.	Particulars	Estimated Amount (In Rs. Lakhs)	% of Total Issue Size
1.	To meet the Capital expenditure	1,287.90	30.97
2.	Funding of working capital requirements of the Company	1,900.00	45.70
3.	General Corporate Expenses	469.04	11.28
	<b>Total</b>	<b>3,656.94</b>	<b>87.95</b>

For further details, please refer section “Objects of the Offer” beginning from page 78 of this Prospectus.



## DETAILS OF SELLING SHAREHOLDERS

The details of the selling shareholders are set out below:

Name of the Selling Shareholder*	Number of Equity Shares held	Number of Equity Shares offered in the Offer for Sale	Date of consent letter
Mr. Alok Gupta	58,43,880	Upto 6,09,000 Shares	August 31, 2024
Mr. Mohit Airen	71,87,220	Upto 6,09,000 Shares	August 31, 2024

\* The Selling Shareholders have confirmed and authorized their participation in the Offer for Sale in relation to the Offered Shares. The Selling Shareholders confirm that the Offered Shares have been held by them for a period of at least one year prior to the date of the Prospectus.

## Pre-issue shareholding of our Promoter and Promoter group as on the date of this Prospectus

Sr. No.	Particulars	Pre-Issue Shareholding	
		Number of Shares	Percentage holding
Promoters			
1.	Mr. Mohit Airen	71,87,220	40.29%
2.	Mr. Alok Gupta	58,43,880	32.76%
Total Promoters Shareholding (A)		1,30,31,100	73.05%
Promoters Group			
1.	Alok Gupta HUF	9,18,000	5.15%
2.	Mohit Airen HUF	18,31,500	10.27%
3.	Ms. Meenakshi Gupta	6,29,800	3.53%
4.	Mr. Sonu Airen	14,26,500	8.00%
5.	Mr. Somchand Gupta	200	0.00%
Total Promoters Group Shareholding (B)		48,06,000	26.95%
Total Promoters & Promoters Group (A+B)		1,78,37,100	100%

## SUMMARY OF RESTATED CONSOLIDATED FINANCIAL INFORMATION

(₹ in Lakhs)

Particulars	For the Period Ended August 31, 2024	For the Financial Year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Share Capital	1,783.71	1,783.71	891.86	594.57
Net worth <sup>(1)</sup>	3,914.98	3,500.32	2,896.51	2,286.35
Revenue from Operations <sup>(2)</sup>	5,337.06	15,154.63	14,454.24	12,365.34
Profit after Tax	414.65	604.05	608.76	319.08
Earnings per share (Basic & diluted) <sup>(3)</sup>				
• Basic (₹)*	2.32	3.39	3.42	1.79
• Diluted (₹)*	2.32	3.39	3.42	1.79
Net Asset Value per Equity Share (Basic & diluted) (₹) <sup>(4)</sup>	21.95	19.62	32.48	38.45
Total borrowing <sup>(5)</sup>	3557.54	3,322.10	2,631.50	1,987.50

(1) Net Worth amounts are calculated as Total Equity as per Restated Consolidated Financial Statements.

(2) Revenue from Operations means the revenue from operations as appearing in the Restated Consolidated Financial Statements

(3) Earnings per Equity Share (Basic and Diluted) = Restated Consolidated profit for the year attributable to the equity holders of our Company/Weighted average number of equity shares outstanding during the year. The weighted average number of Equity Shares outstanding during the year is adjusted for bonus issue.

(4) Net Asset Value per Equity Share = Net worth as per the Restated Consolidated Financial Statements/ number of Equity Shares outstanding as at the end of the year/period. The weighted average number of Equity Shares outstanding during the year is adjusted for bonus issue.

(5) Total borrowings are computed as current borrowings plus non-current borrowings.

## QUALIFICATIONS OF AUDITORS

The Audited Financial Statements do not contain any qualification requiring adjustments by the Statutory Auditors which have not been given effect to in the Restated Financial Statement

## SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPEMENTS

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

(₹ in Lakhs)

Nature of Cases	Number of Cases	Total Amount Involved
<b>Proceedings against our Company</b>		
Civil Proceedings	Nil	Nil
Criminal Proceedings	Nil	Nil
Tax Proceedings	Nil	Nil
Action by regulatory authorities	6	Not Quantifiable
<b>Proceedings by our Company</b>		
Civil Proceedings	Nil	Nil
Criminal Proceedings	Nil	Nil
Tax Proceedings	Nil	Nil
Action by regulatory authorities	Nil	Nil
<b>Proceedings against our Promoter &amp; Directors</b>		
Civil Proceedings	Nil	Nil
Criminal Proceedings	Nil	Nil
Tax Proceedings	2	168.23
Action by regulatory authorities	Nil	Nil
<b>Proceedings by our Promoter &amp; Directors</b>		
Civil Proceedings	Nil	Nil
Criminal Proceedings	Nil	Nil
Tax Proceedings	Nil	Nil
Action by regulatory authorities	Nil	Nil
<b>Proceedings against our Group Companies</b>		
Civil Proceedings	Nil	Nil
Criminal Proceedings	Nil	Nil
Tax Proceedings	5	23.89
Action by regulatory authorities	Nil	Nil
<b>Proceedings by our Group Companies</b>		
Civil Proceedings	Nil	Nil
Criminal Proceedings	Nil	Nil
Tax Proceedings	Nil	Nil
Action by regulatory authorities	Nil	Nil

For further details, please refer chapter titled “*Outstanding Litigations & Material Developments*” beginning on page 287 of this Prospectus.

## RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. Potential Investors should carefully consider all the information in this Prospectus and are advised to read the section titled “*Risk Factors*” beginning on page 25 of this Prospectus, including the risks and uncertainties, before making/ taking an investment decision in our Equity Shares.

In making an investment decision prospective investor must rely on their own examination of our Company and the terms of this issue including the merits and risks involved. The risks described in the said sections are relevant to the industry our Company is engaged in, our Company and our Equity Shares. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries.

For further details, please refer the section titled “*Risk Factors*” beginning on page 25 of this Prospectus.

## CONTINGENT LIABILITIES OF OUR COMPANY

The following table sets forth our contingent liabilities for the Period Ended August 31, 2024 and for the Financial Year ended March 31, 2024, for the Financial Year ended March 31, 2023 and for the Financial Year ended March 31, 2022 as per the Restated Consolidated Financial Statements:

(₹ in Lakhs)				
Particulars	As at 31.08.2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Income Tax Demand (AY 17-18)	-	0.96	3.66	-
Goods & Service Tax	26.47	26.47	-	-
Claims against the company not acknowledged as debts	-	-	-	-
<b>TOTAL</b>	<b>26.47</b>	<b>27.43</b>	<b>3.66</b>	<b>-</b>

For further details of our contingent liabilities, please refer chapter titled “*Restated Financial Statements*” on page 185 of this Prospectus.

## SUMMARY OF RELATED PARTY TRANSACTIONS

The following table sets forth our related party transactions and outstanding balances for the Period Ended August 31, 2024 and for the Financial Year ended March 31, 2024, for the Financial Year ended March 31, 2023 and for the Financial Year ended March 31, 2022 as per the Restated Consolidated Financial Statements:

Name of the related parties	Designation / Relationship
Mohit Airen	Managing Director
Alok Gupta	Director
Ravindra Kumar Chourishi	Chief Financial Officer - Key Management Personnel (w.e.f 1st May, 2023)
Aashi Neema	Independent Director - Compliance Officer (w.e.f 8th May, 2023)
Surabhi Agrawal	Independent Director (w.e.f 8th May, 2023)
Sunil Kumar Talwar	Director (w.e.f 8th April, 2023)
Nupur Lodwal	Independent Director (w.e.f 8th May, 2023)
Meenakshi Gupta	Relative of Key Management Personnel
Disha Soni	Company Secretary (w.e.f 1st May, 2023)
Deepika Singh	Company Secretary (w.e.f 1st April, 2024)
Jyoti Weighing Systems Private Limited	Subsidiary
Divya Jyoti Agritech Private Limited	Director has a significant influence
Divyashakti Foods Private Limited	Director has a significant influence
Chatak Agro India Private Limited	Director has a significant influence
E-fasal	Director has a significant influence
Highyield Agritech Corporation	Director has a significant influence

Transactions carried out with related parties during the year

(₹ in Lakhs)

Transactions during the year:	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
<b>Remuneration</b>				
Mohit Airen	14.25	52.20	52.20	17.55
Alok Gupta	6.00	32.40	34.60	14.85
Meenakshi Gupta	-	-	3.20	1.60
Ravindra Kumar Chourishi	2.63	6.30	6.25	6.25
Disha Soni	-	1.93	-	-
Aashi Neema	0.15	0.55	-	-
Surabhi Agrawal	0.15	0.55	-	-
Nupur Lodwal	0.15	0.55	-	-
Deepika Singh	1.10	-	-	-
<b>Sale of Goods/ Supply of Services (Net)</b>				
Highyield Agritech Corporation	41.61	6.59	15.83	18.53
Chatak Agro India Private Limited	-	14.84	162.50	160.25
E-fasal	-	2.85	14.05	20.70
Divyashakti Foods Private Limited	13.39	0.94	-	-
Divya Jyoti Agritech Private Limited	16.10	1.78	-	4.01
<b>Interest Expenses</b>				
Highyield Agritech Corporation	-	20.43	29.51	23.27
<b>Purchase of Goods</b>				
Chatak Agro India Private Limited	-	-	13.83	18.90
Divya Jyoti Agritech Private Limited	-	-	0.79	2.55
Highyield Agritech Corporation	-	-	-	-
Divyashakti Foods Private Limited	-	4.43	-	-
<b>Loans &amp; Advances Received</b>				
Highyield Agritech Corporation	100.32	328.56	1,514.05	-
Divya Jyoti Agritech Private Limited	-	-	-	-
Divyashakti Foods Private Limited	26.14	30.00	126.20	-
Chatak Agro India Private Limited	54.08	242.76		
Mohit Airen	28.00	15.00	-	-
Alok Gupta	-	-	-	-
<b>Loans &amp; Advances Repaid</b>				
Highyield Agritech Corporation	100.32	1,267.75	593.02	-
Divya Jyoti Agritech Private Limited	-	-	-	-
Divyashakti Foods Private Limited	12.50	75.00	113.91	-
Chatak Agro India Private Limited	55.20	240.26		
Mohit Airen	5.00	15.00	-	-
Alok Gupta	-	-	-	-
<b>Loans &amp; Advances Given</b>				
Highyield Agritech Corporation	488.18	1,492.54	-	25.00
Divya Jyoti Agritech Private Limited	-	10.53	-	-
Divyashakti Foods Private Limited	177.41	325.95	-	-
Chatak Agro India Private Limited	12.50	-	-	-
<b>Loans &amp; Advances Repayment received</b>				
Highyield Agritech Corporation	1,000.02	871.95	-	25.00
Divya Jyoti Agritech Private Limited		10.53	-	-
Divyashakti Foods Private Limited	188.78	300.95	-	-
Chatak Agro India Private Limited	10.52	-	-	-

**Outstanding balances as at:**

(₹ in Lakhs)

<b>Closing Balances at the year end</b>	<b>Period ended 31.08.2024</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
<b>Payable</b>				
Mohit Airen	25.8	3.59	1.00	15.50
Alok Gupta	2.15	2.70	1.20	15.50
Meenakshi Gupta	-	-	-	0.80
Highyield Agritech Corporation	-	-	921.03	-
Chatak Agro India Private Limited	-	2.50	-	-
Disha Soni	0.22	0.22	-	-
Ravindra Kumar Chourishi	0.51	0.51	-	-
Divyashakti Foods Private Limited	-	-	45.00	-
Divya Jyoti Agritech Private Limited	10.40	-		
Aashi Neema	-	0.15	-	-
Surabhi Agrawal	-	0.15	-	-
Nupur Lodwal	-	0.15	-	-
Deepika Singh	0.22	-	-	-
<b>Receivable</b>				
Divyashakti Foods Private Limited	-	25.00	-	-
Ravindra Kumar Chourishi	-	-	-	0.07
Highyield Agritech Corporation	106.48	618.32	-	-
Alok Gupta	-	0.30	-	-
Chatak Agro India Private Limited	0.60	-	-	-
Trade Receivable				
Chatak Agro India Private Limited	-	-	114.70	-
E-fasal	-	-	-	-
<b>Trade Payable</b>				
Divya Jyoti Agritech Private Limited	-	-	-	-

## **FINANCING ARRANGEMENTS**

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six (6) months immediately preceding the date of this Prospectus.

## **WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY OUR PROMOTER AND SELLING SHAREHOLDER IN THE ONE YEAR PRECEDING THE DATE OF THIS PROSPECTUS**

Neither the promoters nor the selling shareholders have acquired any equity shares of our company in the one year preceding the date of this Prospectus.

## **AVERAGE COST OF ACQUISITION**

The average cost of acquisition per Equity Share to our Promoters and Selling Shareholder as at the date of this Prospectus is:

<b>Name</b>	<b>Number of Shares</b>	<b>Average Cost of Acquisition per Equity Share (in ₹)*</b>
Mr. Mohit Airen	71,87,220	2.78
Mr. Alok Gupta	58,43,880	2.80

*Pursuant to certificate dated February 20, 2025 issued jointly by our Statutory Auditors Bagaria & Co. LLP, Chartered Accountants, and Mishra Rajiv Kamal & Associates, Chartered Accountants.*

## **DETAILS OF PRE-OFFER PLACEMENT**

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

## **ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR**

Our Company has not issued any equity shares for consideration other than cash in the one year preceding the date of this Prospectus

## **SPLIT / CONSOLIDATION**

Our Company has not undertaken a split or consolidation of the Equity Shares in the one (1) year preceding the date of this Prospectus.

## **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS**

As on the date of this Prospectus, our Company has not sought any exemption from provisions of securities law enacted by SEBI.

## CHAPTER - II - RISK FACTORS

An investment in our Equity Shares involves a certain degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares or the industry in which we operate. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. If any of the following risks or other risks that are not currently known or are currently deemed immaterial actually occur, our businesses, results of operations, financial condition and cash flows could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. Prospective investors should read this chapter in conjunction with “Our Business”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 117, 101 and 270 respectively of, as well as the financial and other information contained in this Prospectus.

Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries. This Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. For further details, please see the chapter titled “Forward-Looking Statements” beginning on page 17 of this Prospectus.

Unless otherwise indicated or context requires otherwise, the financial statement included herein is derived from our Restated Consolidated Financial Statement for the period ended August 31 2024 Financial Years ended March 31 2024, March 31 2023 and March 31 2022 included in this Prospectus.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this chapter. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

### MATERIALITY

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

1. Some events may not be material individually but may be found material collectively.
2. Some events may have material impact qualitatively instead of quantitatively.
3. Some events may not be material at present but may be having material impact in future.

### INTERNAL RISK FACTORS

1. **Our business is dependent on the performance of the agricultural sector in which our fertilizers are used. Any developments affecting the performance of the agricultural sector are likely to affect our business, results of operations and financial condition.**

Our business is dependent on the performance of the agricultural sector in which our fertilizers are used. The performance of the agricultural sector and consequently the demand for our fertilizers and other products, is dependent on area under cultivation, soil quality, climatic conditions including rains and adequacy of monsoon, adequacy of water supply, crop prices, and availability of credit to farmers which are beyond our control. Further, the demand for our fertilizers is dependent on the cropping pattern which may vary year on year for the major crops. Any reduction in area under cultivation, adverse cropping pattern, climatic conditions, erratic or inadequate monsoon and consequent scarcity of water or other developments affecting the performance of agricultural sector in which our products are used, may adversely affect our business, results of operations and financial condition.

Further, the demand for our products is also affected by agricultural product prices, population growth, change in dietary habits and planted acreage and fertilizer application rates. Lower agricultural product prices may result in reduced production of agricultural products, which could decrease demand for fertilizers and result in a downward pressure on fertilizer prices. In addition, replacement of fertilizer application with other products and techniques aimed at improving crop yield such as genetically modified organisms, which are organisms whose genetic material has been altered by genetic engineering, can be used to grow agricultural products that require less fertilizer application, could result in a decline in fertilizer demand and prices which in turn may adversely affect our business and results of operations.



**2. Reliance on imported raw materials poses risks that could adversely affect our production capabilities and overall profitability**

Our manufacturing operations are reliant on key raw materials, primarily Rock Phosphate and Sulfuric Acid. Rock Phosphate, essential for producing our fertilizers, is procured through imports of Crushed Rock Phosphate (CRP) from countries such as Jordan, Morocco, and Egypt, which are known for their abundant and high-quality supplies. This dependence on international sources exposes us to various risks associated with fluctuations in supply chains. Factors such as trade policies, tariffs, and geopolitical tensions can disrupt the availability of these critical raw materials. For instance, any shifts in export regulations or international relations could result in delays or increased costs of procurement.

Moreover, volatility in global commodity prices can further complicate our operations. If the prices of Rock Phosphate or Sulfuric Acid rise significantly due to supply constraints or increased demand, our production costs may escalate. This situation could erode our profit margins, particularly if we are unable to pass on these increased costs to our customers without risking a decline in sales. Additionally, the reliance on a limited number of international suppliers can create vulnerabilities in our supply chain. Disruptions due to natural disasters, political instability, or changes in trade agreements in these regions could lead to shortages, forcing us to seek alternative sources at potentially higher costs or lower quality. We are continuously monitoring market conditions and in process of developing strategies to mitigate these risks, such as diversifying our supplier base and exploring local sourcing options where feasible.

**3. Our business is subject to climatic conditions and is cyclical in nature. Seasonal variations and unfavourable local and global weather patterns may have an adverse effect on our business, results of operations and financial condition.**

Our business is sensitive to weather conditions such as drought, floods, cyclones and natural disasters, as well as events such as pest infestations. Our results of operations are significantly affected by weather conditions in the agricultural regions in which our products are used. Adverse conditions early in the season, especially drought conditions, can result in significantly lower than normal plantings of crops and therefore lower demand for crop protection products. This can result in our sales in a particular region varying substantially from year to year. Weather conditions can also result in earlier or later plantings and affect the levels of pest infestations, which may affect both the timing and volume of our sales or the product mix. The increasing concern over climate change could also result in enhanced legal and regulatory requirements. In the event that such regulations are enacted and are more aggressive than the sustainability measures that we are currently undertaking, we may experience significant increases in our costs of operations.

**4. The fertilizer industry in India is a regulated industry. Any change in Government policies towards the agriculture sector or a reduction in subsidies and incentives provided to farmers could adversely affect our business and results of operations.**

We expect that state and central Government policies will continue to affect the money available to farmers to purchase fertilizers. Subsidies provided by the Government of India are still an important point of the business and results of operations of any Indian fertilizer company, including us. Consequently, any changes in Government policies relating to the agriculture sector such as the reduction of Government expenditure towards agriculture, the withdrawal of or changes in incentives and subsidies provided to farmers, the withdrawal of freight subsidies, export restrictions on crops, adverse changes in commodity prices or minimum support prices could affect the ability of farmers to spend on fertilizers, which in turn could adversely affect our business and results of operations.

Further, the Government of India has implemented Direct Benefit Transfer (“DBT”). Unlike, the DBT for cooking gas wherein customers buy gas cylinders at market price and are later compensated with the subsidy amount by the GoI, in case of fertilizers, in order to transfer the subsidies directly to the manufacturer’s account, the farmers buy fertilizers from retailers at a subsidized rate and the transaction details are recorded on the point of sale (“PoS”) machines by the retailers. The Government of India, thereafter, pays the subsidy amount directly to the manufacturer based on the data uploaded by the retailers. Any instances of errors committed by retailers in logging of transactions or details of our Company’s products through the PoS machines may result in our Company facing a delay in the receipt of the subsidy amount. Such delays of the subsidy amount, including delays as a result of other factors, may result in an increase in the working capital cycle and our Company’s borrowing costs, which in turn may affect our cash flows, financial condition and results of operations.

**5. The business is highly seasonal and such seasonality may affect our operating results and cash flow of our Company.**

Our business is seasonal in nature. Sales of our products are seasonal, as our business is influenced by the traditional crop seasons in India. In India, majority of the farmers depend on monsoon for cultivation. Rainfall usually occurs during Kharif season and hence, the timing and seasonality of rainfall has an impact on the business of our Company. Thus, we are subject to seasonal factors, which make our operational results very unpredictable.

We recognize revenues only upon the sale of our products. Empirically, the revenues recorded during planting and harvesting seasons are lower compared to revenues recorded during the periods following such seasons. During periods of lower sales activities, we continue to incur substantial operating expenses, but our revenues remain usually lower. Due to the inherent seasonality of our business, results of one reporting period may not be necessarily comparable with preceding or succeeding reporting periods. Sometimes, even if there is a slight change in the timing of rain fall, the sales will get deferred from one reporting period to another reporting period. The sales that were supposed to take place during one financial year may get added to sales of the next financial year and therefore results of even full financial year may not necessarily be comparable to the other financial year.

**6. If we are unable to obtain or maintain regulatory approvals for our products, we may be unable to sell such products, which could adversely affect our business and results of operations.**

The import, manufacture, storage, marketing and sale of fertilizers and related products require several regulatory approvals such as licenses/letters of authorization for carrying on the business of selling fertilizers under the Fertilizer (Control) Order, 1985. We must also renew these authorizations periodically and show that our products meet all requisite regulatory standards, which may have become more stringent and which renewal is not guaranteed. Our products continue to be subject to regulatory oversight even after we obtain requisite regulatory or governmental pre-approvals and authorizations. Further, we may be determined to be in contravention of the provisions of the Fertilizer (Control) Order, 1985 by the relevant authority, for instance if a batch of production does not meet the requisite standards, and consequently we may be subject to regulatory action, criminal action and penalties, as may be prescribed.

**7. Our Promoters have provided personal guarantees and securities to secure certain of our loan facilities, which if revoked or invoked may require alternative guarantees, repayment of amounts due or termination of the facilities.**

Our Promoters have provided personal guarantees and mortgaged certain immovable properties in relation to our loan facilities and may continue to provide such guarantees and securities after the listing of the Equity Shares pursuant to the Issue.

The following Promoter / members of Promoter Group has given their personal guarantees in relation to our secured credit facilities:

S. No.	Name of Guarantor	Promoter / member of Promoter Group	Bank / Financial Institution	Outstanding Amount as on January 31, 2025 (₹ in lakhs)
1	Alok Gupta	Promoter	Kotak Mahindra Bank	72.82
2	Mohit Airen	Promoter	Kotak Mahindra Bank	72.82
3	Chatak Agro Pvt Ltd	Promoter Group	Kotak Mahindra Bank	72.82
4	Balaji Phosphates Limited	Promoter Group	Kotak Mahindra Bank	72.82
6	Alok Gupta	Promoter	Kotak Mahindra Bank	406.41
7	Mohit Airen	Promoter	Kotak Mahindra Bank	406.41
8	Divyashakti Foods Private Ltd	Promoter Group	Kotak Mahindra Bank	406.41
9	Jyoti Weighing System Pvt Ltd	Promoter Group	Kotak Mahindra Bank	406.41
10	Chatak Agro India Pvt Ltd	Promoter Group	Kotak Mahindra Bank	406.41
11	Alok Gupta	Promoter	Axis Bank	2,198.89
12	Mohit Airen	Promoter	Axis Bank	2,198.89
13	Divyashakti Foods Private Ltd	Promoter Group	Axis Bank	2,198.89

The following Promoter / members of Promoter Group has mortgaged their personal properties in relation to our secured credit facilities:

S. No.	Name of Mortgagor	Promoter / member of Promoter Group	Details of mortgaged properties	Bank / Financial Institution	Outstanding Amount as on August 31, 2024 (₹ in lakhs)
1	Alok Gupta	Promoter	Residential Vacant Plot situated at Plot No 21, Irish Park, Village Taioli, Chanda Tehsil & District Indore, Madhya Pradesh	Axis Bank	2,198.89
2	Mohit Airen	Promoter	Residential Vacant Plot situated at Plot No 20, Irish Park, Village Taioli, Chanda Tehsil & District Indore, Madhya Pradesh	Axis Bank	2,198.89

As on August 31, 2024, outstanding amounts from secured credit facilities personally guaranteed by our Promoter and members of Promoter Group amounted to INR 2,640.60 lakhs which constitutes 68.71 % of our total indebtedness. In the event that any of these guarantees and securities are revoked or invoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities, as applicable. We may not be successful in procuring alternative guarantees satisfactory to the lenders, and as a result, may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all. Any such failure to raise additional capital could adversely affect our operations and our financial condition. For further details, see “Financial Indebtedness” on page 284.

**8. A shortage or non-availability of electricity, water, fuel or an increase in fuel prices may adversely affect our production operations and have an adverse effect on our business, results of operations and financial conditions.**

Our manufacturing facility requires a significant amount and continuous supply of electricity, fuel and water and any shortage or non-availability may adversely affect our operations. We primarily source electricity from our captive power plants, and primarily source water for our manufacturing facility from the Department of water resources. We also require furnace oil and high speed diesel as fuels for our manufacturing process, would require RLNG for the production of ammonia and urea and also as a fuel for the manufacture of complex fertilizers. Further, some of our raw materials are required to be stored at specific temperatures, supported by continuous supply of electricity. If the supply of electricity, water, fuel and RLNG is not available or the supply is interrupted for any reason, we may need to rely on alternative sources which may not be able to consistently meet our requirements. The cost of purchasing electricity, water, fuels or RLNG from alternative sources could be significantly higher, thereby adversely affecting our cost of production and profitability.

**9. We have certain contingent liabilities that have not been provided for in our Company’s financials, which if realised, could affect our financial condition.**

Our contingent liabilities for the year ended March 31, 2024 and for the period ended August 31, 2024 are as follows:

<i>(Rs. in lakhs)</i>		
<i>Particulars</i>	<i>As at August 31, 2024</i>	<i>As at March 31, 2024</i>
<i>Income Tax Demand (AY 17-18)</i>	-	0.96
<i>Goods &amp; Service Tax</i>	<b>26.47</b>	<b>26.47</b>
<i>Claims against the Company not acknowledged as debts</i>	-	-
<b>Total</b>	<b>26.47</b>	<b>27.43</b>

We cannot assure you that any or all of these contingent liabilities will not become direct liabilities. In the event any or all of these contingent liabilities become direct liabilities, it may have an effect on our financial condition and results of operations. For details, please refer to the chapter titled ‘Financial Information’ beginning on page number 185.

**10. Our Company has experienced negative cash flows. Any negative cash flow in future could affect our results of operations.**

Our Company has experienced negative cash flows in the past, and any negative cash flow in the future could adversely affect our results of operations and financial condition. The negative cash flow in operating activities is primarily due to a working capital gap, while the negative cash flow in investing activities is a result of capital expenditures. Negative cash flow in financing activities is due to interest repayments.

(Rs. in lakhs)

<i>Particulars</i>	<i>Period ended 31.08.2024</i>	<i>March 31, 2024</i>	<i>March 31, 2023</i>	<i>March 31, 2022</i>
Cash generated from operating activities	-41.76	(348.11)	(362.69)	339.24
Net Cash from /(used in) investing activities	-43.95	(87.46)	(10.93)	(37.89)
Net Cash from /(used in) financing activities	93.87	388.83	378.87	(269.15)

Any negative cash flows in the future could adversely affect our Company's results of operation and financial condition. For further details, please refer to the section Financial Information 'beginning on page number 185

**11. Our Company requires significant amounts of working capital for continued growth. Our inability to meet our working capital requirements may have an adverse effect on the results of operations.**

Our business demands a significant amount of working capital, with a substantial portion allocated to inventory management and trade receivables. Efficient working capital management is crucial for our operations. If we face challenges in sourcing the necessary working capital, it could impede our ability to meet client demands promptly or, in some cases, at all. Even if we secure the required funds, we cannot guarantee that they will be adequate to cover our cost estimates, and any unforeseen increase in expenses may impact the pricing of our products.

The last three years have seen a continuous increase in our working capital requirements, highlighting the substantial nature of our ongoing financial needs. This emphasizes the importance of securing the necessary financing to ensure the smooth functioning of our business.

(Rs. in lakhs)

<b>Particulars</b>	<b>For the Financial year</b>		
	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>
<b>CURRENT ASSETS</b>			
Trade Receivables	3,085.83	2,999.51	3,105.16
Inventories	2,365.41	4,206.71	3,147.76
Other Financial Assets	214.85	230.05	230.52
Other Current Assets	1,072.70	817.91	299.26
<b>Total Current Assets (A)</b>	<b>6,738.79</b>	<b>8,254.18</b>	<b>6,782.69</b>
<b>CURRENT LIABILITIES</b>			
Trade Payables	1,848.09	1,944.87	978.17
Other financial Liabilities	81.31	68.85	101.43
Other Current Liabilities	1901.78	1,895.89	541.20
Provisions	1.13	14.15	176.12
Current tax Liabilities (Net)	105.14	210.57	213.12
<b>Total Current Liabilities (B)</b>	<b>3,937.44</b>	<b>4,134.32</b>	<b>2,010.03</b>
<b>Working Capital Requirement (A-B)</b>	<b>2,801.35</b>	<b>4,119.86</b>	<b>4,772.66</b>

For details related to working capital requirement, please refer to chapter titled as "Object of the Issue" on page 78 of this Prospectus.

**12. We are subject to risks arising from foreign exchange rate movements.**

Our exchange rate risk primarily arises from our foreign currency trade payables. We pay trade payables in foreign currencies especially US\$. The foreign exchange fluctuation affects both the expenditures in absolute terms when converted into Indian rupees. To this extent, expenditures will be higher or lower depending on the depreciation or appreciation of Indian Rupee in foreign currency terms. Foreign Exchange loss, to Profit and Loss Account for the Fiscal 2024, 2023 and 2022 were ₹2.72 Lakhs, ₹15.05 Lakhs and ₹ 5.35 Lakhs respectively, which represented 0.018%, 0.10%, and 0.043% of our revenue from operations, respectively. The exchange rate between the Indian Rupee and the United States Dollar has been volatile in recent years and may fluctuate in the future. Therefore, changes in the exchange rate between the Indian Rupee and the US\$ may affect our operating results.

**13. We have incurred indebtedness which exposes us to various risks which may have an adverse effect on our business and the results of operations.**

As of January 31, 2025, we have Rs. 3,967.08 Lakhs of outstanding debt.

Our level of indebtedness has important consequences to us, such as:

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

**14. We have certain outstanding litigation, an adverse outcome of which may affect our business, reputation and results of operations**

We have certain outstanding litigation against our Company, an adverse outcome of which may affect our business, reputation, and results of operations.

A summary of outstanding matters set out below includes details of civil proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving us, Directors, Promoter and Group Company, as at the date of this Prospectus

Nature of cases	Number of cases	Amount involved (Rs. lakhs)
Regulatory action against our company	6	Not quantifiable
Regulatory action against our group companies	5	23.89
Tax proceedings against our promoters & directors	2	168.23

For further details of litigation proceedings, please refer the chapter titled “Outstanding Litigations and Material Developments” on page 287 of this Prospectus.

**15. Our inability to introduce new fertilizers and respond to changing customer preferences in a timely and effective manner, may have an adverse effect on our business, results of operations and financial condition.**

The success of our business depends upon our ability to anticipate and identify changes in the preferences of farmers and offer them fertilizers that they require, on a timely basis. Although changes in the preferences of farmers have historically been limited, and although we seek to identify such trends, we cannot assure you that our fertilizers would gain consumer acceptance or that we will be able to successfully compete in such segments. In order to remain competitive, we must develop, test and manufacture new fertilizers, which must meet regulatory standards and receive requisite regulatory approvals. It is often difficult to estimate the time to market new products and there is a risk that we may have to abandon a potential product that is no longer commercially viable, even after we have invested resources in the development of such product. If we fail to successfully introduce new fertilizers our business, prospects, results of operations, financial condition and cash flows may be adversely affected.

**16. The fertilizers and related products industry is intensely competitive and our inability to compete effectively may adversely affect our business, results of operations and financial condition.**

The fertilizers and related products industry is highly competitive with several major companies present, and therefore it is challenging to maintain or improve market share and profitability. Many of our competitors may have greater financial, manufacturing, marketing and other resources, more experience in obtaining regulatory approvals, greater geographic

reach, broader product ranges or a stronger sales force. Our competitors may succeed in developing products that are more effective, popular or cheaper than ours, which may render our products uncompetitive and adversely affect our business, results of operations and financial condition. Further, some of our competitors, which include major multinational corporations, may consolidate and integrate their operations, and the strength of combined companies could affect our competitive position. Consolidated corporations may have greater financial, manufacturing, marketing and other resources, broader product ranges and larger, stronger sales forces, which may make them more competitive than us.

**17. Changes in technology may render our current technologies obsolete or require us to incur substantial capital expenditure.**

Our industry is subject to change due to technological advances and scientific discoveries. These changes may result in the introduction of new products and significant price competition. If our technologies become obsolete, and we are unable to effectively introduce new products, our business and results of operations could be adversely affected. Although we strive to keep our technology, facilities and machinery current with the latest standards; the technologies, facilities and machinery we currently employ may become less competitive or even obsolete due to advancement in technology or changes in market demand, which may require us to incur substantial capital expenditure. The cost of implementing new technologies and upgrading our manufacturing facility could be significant. If our competitors introduce superior technology and we cannot make enhancements to ours to remain competitive, either because we do not have the resources to continually improve our technology by adequately investing in R&D or for any other reason, our competitive position, and in turn our business, results of operations and financial condition may be adversely affected.

**18. We are susceptible to product liability claims that may not be covered by insurance, which may require substantial expenditure and may adversely affect our reputation and if successful, could require us to pay substantial sums.**

The products that we manufacture or process are subject to risks such as contamination, adulteration and product tampering during their manufacture, transport or storage. Our business exposes us to potential product liability claims, and the severity and timing of such claims are unpredictable. We face the risk of loss resulting from, and the adverse publicity associated with, product liability lawsuits, whether or not such claims are valid. While our products are researched before being commercialized, are approved under the Fertilizer Control Order, 1985 ("1985 Order") and we obtain and maintain quality certifications and accreditations from independent certification entities and also comply with prescribed specifications and standards of quality approved by the Government in connection with the products we manufacture, if we fail to comply with the applicable quality standards or if the relevant accreditation institute or agency declines to certify our products, or if we are otherwise unable to obtain such quality accreditations in the future, in a timely manner or at all, it may give rise to product liability claims which may adversely affect our reputation, business, results of operations and financial condition. We may also be subject to claims resulting from manufacturing defects or negligence in storage or handling, which may lead to the deterioration of our products, or from defects arising from deterioration in our quality controls. For example, although we extensively test our raw material Sulphur, there could still be some deviation from prescribed quality standards due to factors such as human error. Further, certain of our other raw material such as Ammonia and products such as MOP are required to be stored and handled carefully and under certain safety conditions. Product liability claims, regardless of their merits or the ultimate success of the defense against them, are expensive. Even unsuccessful product liability claims would likely require us to incur substantial amounts on litigation, divert our management's time, adversely affect our goodwill and impair the marketability of our products. We may also experience a product recall. Any product recall, product liability claim or adverse regulatory action may adversely affect our reputation, business, results of operations and financial condition.

**19. Our company is substantially reliant on our Promoters, Managing Director & KMPs for mentoring and growth of our Businesses. Our inability to continue to receive such support from any of such persons in power and supervision could materially affect our company's operations. Further, our ability to attract, train and retain executives and other qualified employees is critical to our business, results of operations and future growth.**

Our present and future performance and success depend largely upon the guidance and supervision from our Promoters, Executive Director and other key managerial personnel and our ability to attract and retain them. We are dependent on our Promoters, Managing Director and Key Managerial Personnel for setting our strategic direction, future outlook and managing our businesses. In particular, our Managing Director, Mr. Mohit Airen, Mr. Alok Gupta and other senior management team are critical to the overall management of our Company. Their inputs and experience are also valuable for the development of our services, our work culture and the strategic direction taken by our Company. Our Management, has over the past years, built relations with suppliers, customers, and other relevant persons who are connected with us in the journey of our businesses. Our future performance will depend upon the continued services and support of these persons. Demand for key managerial personnel in the industry is intense and our inability to attract and retain key managerial personnel may affect the operations of our Company.

Our business depends upon our employees for its successful execution. Our ability to compete effectively depends on our ability to attract new employees and to retain and motivate our existing employees. We may be required to increase our

levels of employee compensation more rapidly than in the past to remain competitive in attracting the skilled employees that our business requires. If we do not succeed in attracting well-qualified employees or retaining or motivating existing employees, our business and prospects for growth could be adversely affected.

**20. We have been unable to locate certain of our historical corporate records.**

Our Company was incorporated on April 4, 1996 and we have been unable to trace the following corporate records in our historical records:

- Form 23AC filed with the Registrar of Companies in relation to filing Balance Sheet and other documents with Registrar is not available before the financial year 2001-2002.
- Form 20B filed with the Registrar of Companies in relation to filing of Annual Return with Registrar is not available before the financial year 2000-2001.
- Form-5 filed with the Registrar of Companies in relation to increase in authorize share capital of the company on 26.04.2002, along with the relevant attachments including approvals obtained from the statutory authorities, where applicable;

For details of the above instances of increase in Authorize Share Capital, see “Capital Structure – History of Authorize Share Capital Build-up, on pages 65. We have been unable to trace any of these documents despite conducting a search at our Company’s offices and certain of these documents despite conducting a search at the office of the Registrar of Companies and may be unable to obtain copies of these documents in the future to ascertain details of the relevant transactions or actions. Accordingly, reliance has been placed on confirmations provided by us in respect of the missing corporate records and appropriate disclosures have been made in the Prospectus pursuant to the due diligence of the other relevant corporate records available with our Company including the minutes of meetings of the Board and shareholders, register of members and register of transfer of equity shares to ascertain the information sought from the missing corporate records. Our Company has requested Registrar of Companies, Kanpur of physical documents vide its SRN X76405497 dated June 17, 2024. There have been no further developments post the request application. Further, the company had taken all the necessary steps to trace all the documents that were not available in the records of the company. Pursuant to the Inspection, Mr. Ashish Karodia has issued a certificate dated June 27, 2024, confirming that, i) the Form 5 filings, along with the relevant attachments, in relation to increase in authorize share capital dated 26.04.2002 are untraceable; and ii) the Form 20 B filings in relation to each of filing of Annual Return before the financial year 2000-2001 and iii) the Form-23 AC filings Balance Sheet and other documents with Registrar before the financial year 2001-2002 are not available.

The Company has informed us that the secretarial records from the period of incorporation up to the financial year 2012/2013 are not accessible. The Company has made a request to the Registrar of Companies, Kanpur, for the physical documents via SRN X76405497 dated 17.06.2024. However, no documents have been received from the said office to date.

Additionally, the company has obtained a due diligence report (Search Report) dated September 24, 2024, from Mr. Ashish Karodia, a practicing Company Secretary. The report is based on a search conducted by him using Challans SRN X76913854 dated 26.06.2024, SRN U00336089 dated 25.06.2024, and SRN UU00482964 dated 24.09.2024, through the V2 and V3 portals of the Ministry of Corporate Affairs (MCA).

**21. Our Company has not entered into any long-term contracts with our distributors/customers and we typically operate on the basis of orders received on hand. Inability to maintain regular order flow would adversely impact our revenues and profitability.**

We have not entered into any fixed contracts with our distributors/customers and we cater to them on an order-by-order basis. As a result, our distributors/customers can terminate their relationships with us without any prior notice and without consequence, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company’s distributors/customers have no obligation to place order with us and may either cancel, reduce or delay orders. The orders placed by our Company’s distributors/customers are dependent on factors such as the customer satisfaction, quality consistency, fluctuation in demand for our Company’s products and customer’s inventory management.

Although we place a strong emphasis on quality, pricing and timely delivery of our products, and personal interaction by the top management with the distributors/customers, etc., in the absence of contracts, any sudden change in the buying pattern of buyers could adversely affect the business and the profitability of our Company.

- 22. Major portion of our revenue is derived from a limited number of customers. Any failure to retain one or more of our customers or any disruption of sale of our product will have an adverse effect on our financial performance and results of operations.**

We are dependent on certain key customers for a significant portion of our sales, the loss of any one of our key customers for any reason could have an adverse effect on our business, results of operations and financial condition. While we strive to maintain good relations with our key customers, there is no assurance that our key customers will continue to place similar orders with us in the future. In addition to these external factors, these key customers may also set off any payment obligations, require indemnification for themselves or their affiliates, replace us with our competitors, or replace their existing products with alternative products which we do not supply.

Therefore, there can be no assurance that we will not lose all or a portion of sales to these key customers, or that we will be able to offset any reduction of prices to these customers with reductions in our costs or by obtaining new customers. We may continue to remain dependent upon our key customers for a substantial portion of our revenues. Further, the deterioration of the financial condition or business prospects of these customers could reduce their requirement for our products and result in a significant decrease in the revenues we derive from these customers. In the event of our failure to retain one or more of our key customers, it will have an adverse effect on our financial performance and result of operations.

- 23. Our Company faces competition from fertilizer players. Our failure to effectively compete may reduce our profitability and results of operations.**

Increased competition may result in decreased in demand or lower prices for our products. Our failure to compete effectively could reduce our profitability and in turn our results of operations. We face substantial competition due to technological advances by our competitors in various facets of the agri-inputs business especially from fertilizer players. Multinational corporations invest huge amounts of money and considerable resources on Research and Development and technology and are thus able to come out with very effective and highly improved versions of fertilizers. Hence, these types of technological advances force us to face substantial competition.

Further, the introduction of biotechnology has resulted in the entry of various agro-input companies into the fertilizer industry, thus fostering intense competition in the industry. The period for developing and commercializing a hybrid product can run into several years. If a competitor introduces a product more suited to farmer needs, it could take a long period for us to find and supply a suitably competing product, which could have a material adverse effect on our business, results of operations and financial condition. Some of our competitors may have, or are subsidiaries of large international corporations that have, significantly greater resources than those available to us. If we are unable to compete effectively, including in terms of pricing or providing quality products, our market share may decline, which could have a material adverse effect on our financial condition and results of operations.

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

The products, we manufacture or process are exposed to risks such as contamination, adulteration, and tampering during manufacturing, transportation, or storage. To address the risks associated with potential damage to our raw materials and finished products during transit, we maintain comprehensive insurance coverage. Additionally, we confront inherent business risks related to potential product liability or recall claims should our products fail to meet required quality standards or be alleged to cause harm to consumers.

Any defects in our products or claims from customers could negatively impact our brand's value, leading to a potential decline in sales. Furthermore, our business heavily relies on the trust customers place in the quality of our products. There is a risk of legal proceedings and product liability claims from various entities, including customers, end-users, and government agencies, for reasons such as defective or contaminated products.

In the event of a product recall or involvement in a product liability case, significant expenses may be incurred in litigation. There is no assurance that we will not encounter product recalls or product liability losses in the future. The occurrence of a product recall, product liability claim, or adverse regulatory action has the potential to adversely affect our reputation, brand image, and result in substantial costs, impacting our business, operational results, and financial condition. *However, our company has not experienced any past instances of product recalls or product liability claims.*



**25. Our inability to maintain the stability of our distribution network and attract additional high-quality dealers may have an adverse effect on our result of operations and financial conditions.**

The challenge in the agri-inputs business lies in reaching a geographically dispersed end-user at the right time at the right place with the right product. We rely on our distribution network and dealerships to reach the end customer, that is the farmer, and distribute market and sell our agri-input products in each of the regions in which we operate. Competition for fertilizer and other agri-inputs dealers is intense. Hence, our business is dependent on maintaining good relationships with our distributors and dealers and ensuring that our distributors and dealers find our products to be commercially remunerative and have continuing demand from farmers.

Furthermore, our growth as a business depends on our ability to attract additional high-quality dealerships to our distribution network. There can be no assurance that our current distributors and dealers will continue to do business with us, or that we can continue to attract additional distributors and dealers to our network. If we do not succeed in maintaining the stability of our distribution network and attracting additional high-quality dealers to our distribution network, our market share may decline and our products may not reach the end customers, materially adversely affecting our results of operations and financial condition.

**23. Our inability to meet the quality norms prescribed by the Government may be detrimental to our business.**

The Fertilizer (Control) Order, 1985, inter alia, regulates the quality of fertilizer products manufactured in India and such fertilizer products are subject to independent verification by Government agencies. Government agencies carry out surprise sample checking of fertilizers for their contents/nutrients. These samples are randomly selected at a manufacturer's warehouse, dealer's warehouse or retail outlets. In case, the content/nutrients in the sample does not comply with the quality norms prescribed by the Government, it could lead to issuance of show cause notices. For details of proceedings involving our Company, see "Outstanding Litigations and Material Developments" on page 287. Any failure in relation to quality control could lead to the cancellation of registration granted to our Company for selling fertilizer products in one or more states.

**26. In addition to normal remuneration, other benefits and reimbursement of expenses, some of our Directors (including our Promoter) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.**

Some of our Directors (including our Promoter) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Promoter and Directors would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Promoter and Directors will continue to exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Promoter and Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Promoter and Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospect.

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

Our Company has entered into certain transactions with our related parties. While we believe that all such transactions have been conducted on the arms-length basis, there can be no assurance that we could not have been achieved more favourable terms had such transactions not been entered into with related parties. We confirm that all related party transactions as disclosed in Restated Financial Statements have been, conducted in compliance with the Companies Act, 2013 and all other applicable laws and regulations. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

For details on the transactions entered by us, please refer to "Related Party Transactions" beginning on page no.232 of this Prospectus.

**27. Our insurance coverage does not adequately protect us against losses (including damages or loss caused to the Products), and successful claims against us that exceed our insurance coverage could harm our results of operations and diminish our financial position.**

Our insurance policies, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage. In addition, there are various types of risks and losses for which we do not

maintain insurance, such as losses due to business interruption, losses in transit, natural disasters etc. because they are either uninsurable or because insurance is not available to us on acceptable terms. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or results in changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, future financial performance and results of operations. However, no claims have been filed with any insurance provider over the past three financial years, and there have been no instances where the insurance coverage was exceeded or utilized for claim purposes.

**28. We are exposed to the risk of delays or non-payment by our customers and other counterparties, which may also result in cash flow mismatches.**

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

We are exposed to counterparty credit risk in the usual course of our business dealings with our customers or other counterparties who may delay or fail to make payments or perform their other contractual obligations. The financial condition of our clients, business partners and other counterparties may be affected by the performance of their business which may be impacted by several factors including general economic conditions. We cannot assure you of the continued viability of our counterparties or that we will accurately assess their creditworthiness. We also cannot assure you that we will be able to collect the whole or any part of any overdue payments. Any material non-payment by our customers, or non-performance by our business partners, suppliers or other counterparties could affect our financial condition, results of operations and cash flows. However, our company has not experienced any past instances of delays or defaults in payments by customers or counterparty non-performance.

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

Our future ability to pay dividends will depend on our earnings, financial condition and capital requirements. Dividends distributed by us will attract dividend distribution tax at rates applicable from time to time. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations.

**30. Our business operations are majorly concentrated in certain geographical regions and any adverse developments affecting our operations in these regions could have a significant impact on our revenue and results of operations.**

Our business presently caters to farmers based in Madhya Pradesh, Chhattisgarh, Maharashtra, Telangana, and Andhra Pradesh. Due to the geographical concentration of our business, our operations are susceptible to local, regional and environmental factors, such as social and civil unrest, regional conflicts, civil disturbances, economic and weather conditions, natural disasters, demographic and population changes, and other unforeseen events and circumstances.

Such disruptions could result in the damage or destruction of a significant portion of our manufacturing abilities, significant delays in the transport of our products and raw materials, loss of key managerial personnel, and/or otherwise adversely affect our business, financial condition and results of operations.

Further, as we enter into new markets and geographical areas, we are likely to compete with not only national players, but also the local players, who might have an established local presence, and are more familiar with local business practices and have stronger relationships with local distributors, dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into other areas may adversely affect our business prospects, financial conditions and results of operations. While our management believes that the Company has requisite expertise and vision to grow and mark its presence in their markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we face and should not rely on our results of operations for any prior periods as an indication of our future performance.

**31. Adverse publicity regarding our products could negatively impact us.**

Adverse publicity regarding any of our products or similar products marketed or sold by others could negatively affect us. If any studies raise or substantiate concerns regarding the efficacy or safety of our products or other concerns, our

reputation could be harmed and demand for our products could diminish, which could have a material adverse effect on growth in new customers and sales of our product, leading to a decline in revenues, cash collections, and ultimately our ability to meet operating cash flow requirements.

**32. There is no monitoring agency appointed by our Company to monitor the utilization of the Issue proceeds.**

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹10,000.00 Lacs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

**33. Our Promoters and the Promoter Group will jointly continue to retain majority shareholding in our Company after the issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders.**

Our promoters along with the promoter group will continue to hold collectively majority of the Equity share capital of the Company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholder's vote. Such a concentration of the ownership may also have the effect of delaying, preventing or deterring any change in the control of our Company. In addition to the above, our promoters will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

**34. We may require further equity issuance, which will lead to dilution of equity and may affect the market price of our Equity Shares or additional funds through incurring debt to satisfy our capital needs, which we may not be able to procure.**

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the IPO Proceeds and our internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy.

Any future issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company's Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company's Equity Shares.

Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company's major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of pledge or encumber their Equity Shares in the future.

**35. The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.**

The issue price of the equity shares has been based on many factors and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the chapter titled "Basis for offer Price" beginning on page 89 of the Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.



36. **Any failure to protect or enforce our rights to own or use our trademark in “M/S. Balaji Phosphates Private Limited” could have an adverse effect on our business and competitive position.**

If we do not maintain our brand identity, which is an important factor that differentiates us from our competitors, we may not be able to maintain our competitive edge. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand is subject to risks, including general litigation risks. Furthermore, we cannot assure you that our brand will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source. Any damage to our identity, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position. Finally, while we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights, which may force us to alter our offerings.

We may also be susceptible to claims from third parties asserting infringement and other related claims. If similar claims are raised in the future, these claims could result in costly litigation, divert management’s attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements. Any of the foregoing could have an adverse effect on our business and competitive position.



37. **We have applied for registration of logo “M/S. Balaji Phosphates Private Limited” and do not own the trademark legally as on date. We may be unable to register the trademark in future.**

We have applied for registration of both our name and logo under the provisions of the Trademarks Act, 1999 and do not own the trademark as on date. As such we do not enjoy the statutory protections accorded to a registered trademark as on date. We are in the process of for registration of our logo under the provisions of the Trademarks Act, 1999. There can be no assurance that we will be able to register the trademark in future or that, third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Further, we cannot assure you that any application for registration of our trademark in future by our Company will be granted by the relevant authorities in a timely manner or at all. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly, and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property.

38. **Our lenders have imposed certain restrictive conditions on us under our financing agreements. This may limit our ability to pursue our business and limit our flexibility in planning for, or reacting to, changes in our business or industry.**

As of August 31, 2024, we had availed unsecured loans aggregating to ₹ 927.24 lakhs from banks and certain of our Promoters, members of the Promoter Group and other persons. If the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing agreements, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. For further information, see “Financial Indebtedness” on page 284.

39. **Industry information included in this Prospectus has been derived from publicly available information. There can be no assurance that such third- party statistical, financial, and other industry information is complete, reliable or accurate.**

We have not independently verified data obtained from industry publications and other external sources referred to in this Prospectus and therefore, while we believe them to be accurate, complete, and reliable, we cannot assure you that they are accurate, complete, or reliable. Such data may also be produced on different bases. Therefore, discussions of matters relating to India, its economy, the infrastructure industry, are subject to the caveat that the statistical and other data upon which such discussions are based may be inaccurate, incomplete, or unreliable. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable, but their accuracy, adequacy or completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and government sources and publications are also prepared on the basis of information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions that may prove to be incorrect. Accordingly, no investment decision should be made on the basis of such information.

**40. We have not been able to obtain certain records of the educational qualifications of a Director**

Mr. Sunil Talwar has confirmed to us that he holds a Bachelor's Degree in Science and a Master of Business Administration (MBA) in Finance from Devi Ahilya University, Indore. However, Mr. Talwar is unable to locate the original certificates for these educational qualifications. Neither our Company nor the Book Running Lead Managers (BRLM) have been able to independently verify these details. As a result, the qualifications of Mr. Talwar have not been disclosed in the Prospectus. There is no guarantee that the relevant documents related to his qualifications will be found in the future, if at all.

**41. Pending Legal Proceedings Under the Essential Commodities Act and Fertilizer Control Order**

Our Company has been subject to actions initiated by the Agriculture Officer and Fertilizer Inspector under the Essential Commodities Act and the Fertilizer Control Order. These proceedings are currently pending adjudication before the Hon'ble Court. Any adverse outcome in these matters could potentially impact the Company's operations, reputation, or financial position. Prospective investors should consider this pending litigation when evaluating the risks associated with an investment in the Company.

**42. Past SEBI Inquiries against Promoters could affect the Company's reputation, financial stability and future Prospects**

In the past, inquiries were initiated by the Securities and Exchange Board of India (SEBI) against our promoters, Mr. Mohit Airen and Mr. Alok Gupta, being preferential allottees for Dhyana Finstock Limited. It was alleged that the company and persons in charge of its affairs created preferential allotment of shares as a mode to provide fictitious long term capital gains to its Preferential Allottees and Promoter related entities so as to convert their unaccounted income into accounted one. Both Mr. Mohit Airen and Mr. Alok Gupta, being preferential allottees were also named under the said inquiry as beneficiary. However, on conduct of examination no adverse evidence was found against the director and the inquiry was ultimately revoked by SEBI in its order WTM/MPB/EFD-1-DRA-I/168 /2018 dated April 24, 2018, on the grounds of insufficient evidence. The Company was not involved in any capacity in these inquiries.

While these inquiries have been closed, there is no guarantee that similar regulatory investigations or inquiries will not arise in the future. Such actions, if initiated, or any subsequent legal or regulatory issues involving our Directors, could adversely affect the Company's reputation, financial stability, or future business prospects.

**43. Delays in filing our Annual Returns and Audited Annual Financial Statements**

There has been a delay in the filing of Annual Returns and Financial Statements for the financial year 2023-24. Additionally, our Company has not filed Form MGT-7 for the same financial year within the stipulated timeline. As of the date of this Prospectus, no legal proceedings or regulatory actions have been initiated against our Company regarding these instances of non-compliance, delayed filings, or any incorrect submissions with the Registrar of Companies (RoC). However, we cannot assure you that such proceedings or actions will not be initiated in the future, nor can we guarantee that penalties will not be imposed by the relevant regulatory authorities.

If monetary penalties or other punitive actions are imposed, it could have an adverse effect on our business, financial condition, and results of operations.

**44. Impact of on ongoing Litigations on the Company**

Our Company is currently involved in several ongoing litigations, the details of which are outlined in the "Outstanding Litigation and Material Developments" section of this Prospectus. Furthermore, under applicable law, The Company or any Promoter found to be in contravention of certain orders may be subject to penalties, not limited to monetary may also involve imprisonment for a term of not less than three months, which may extend to seven years, along with the possibility of a fine. Any negative outcomes in these litigations, including the imposition of penalties or punishments as described above, could have a material adverse effect on our business operations, financial condition, reputation, and overall results of operations

**45. Construction of the Proposed Warehouse on Subsidiary's Land**

The proposed warehouse construction, a key component of the Company's growth strategy, is planned to be built on land owned by one of its subsidiaries. This arrangement presents certain risks, primarily stemming from inter-company dependencies. Any changes in the subsidiary's ownership structure, management, or financial stability could impact the availability and usage of the land for the warehouse. Additionally, compliance with regulatory requirements, such as zoning laws and environmental regulations, may result in delays or complications during the construction phase.

Another concern is the lack of a formal rental agreement between the subsidiary and our company regarding the land. Operational disruptions or disagreements between our company and the subsidiary could further hinder the intended use of the warehouse. Moreover, any financial instability or legal challenges within the subsidiary could adversely impact the success of this investment.

To mitigate these risks, we have obtained the subsidiary's consent to ensure continued access to and control over the land for the warehouse. This consent provides a level of clarity and stability, though formalizing this arrangement through a binding agreement, such as a lease or memorandum of understanding, would further reduce uncertainties related to the project.

#### **46. Legal Proceedings and Potential Recurrences**

Our Company has previously been involved in legal proceedings related to allegations regarding the quality of its fertilizer products. FIRs were filed by the Farmer Welfare & Agriculture Development Department, both claiming that the fertilizer samples were "Non-Standard" based on the initial analysis. However, subsequent retesting of the second sample confirmed its compliance with the required quality standards.

Although no further actions, penalties, or notices were received by Company, such incidents highlight potential risks to the Company's operations, reputation, and financial stability. Similar legal or regulatory challenges may arise in the future, potentially leading to further scrutiny, additional costs, or delays in business operations. Our Company has taken appropriate steps to mitigate these risks, including ensuring compliance with regulatory standards and taking swift corrective actions when necessary.

### **RISK RELATING TO THE OBJECTS OF THE ISSUE**

#### **47. Our Company has not made any firm arrangements for the implementation of the capital expenditure proposed**

Of the total objects of the Fresh Issue, an amount of Rs. 1,287.90 lakhs is proposed to be utilised towards meeting capital expenditure towards upgradation of the existing facilities. While we have obtained quotations from the respective vendors, we are yet to place our order / appoint such vendors for supply / implementation of the capital expenditure as proposed. Although the validity of the quotations are valid as on the date of filing this Prospectus or going to expired in due course of time, the Promoters and management are confident that such services / plant and machineries will be available at the price as per the quotation given by various suppliers. In case, at the time of placing the order, our company would not be able to acquire such plant and machinery or services at the expected price, we are subject to risks on account of inflation in the price of machineries, for further details of the capital expenditure, please refer the section "Object of the Offer" on page no. 78 of this Prospectus. In case of increase in price of such equipment's, our company shall require to arrange the additional fund for completion of the project. If we are not able to arrange such additional funds in due time which may results in delay in implementation of our project and which may result into adversely affects the profitability and financial results of the company.

#### **48. Our funding requirements and proposed deployment of the Net Proceeds are not appraised by any independent agency and are based on management estimates and may be subject to change based on various factors, some of which are beyond our control**

We intend to use the Proceeds of the Fresh Issue for the purposes described in "Objects of the Offer" on page no. 78 of this Prospectus. Our management may revise estimated costs, fund requirements and deployment schedule owing to factors relating to our business and operations and external factors which may not be within the control of our management. The utilization of the Proceeds of the Issue and other financings will be monitored only by the Audit Committee of the Board and is not subject to any monitoring by any independent agency. Further, pending utilization of the Proceeds of the Fresh Issue, we intend to deposit the Net Proceeds only in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934.

Our funding requirements and the deployment of the Proceeds of the Fresh Issue are based on management estimates and have not been appraised by any banks or financial institutions. In view of the 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. For further details refer the section titled "Object of the Offer" on page 78 of this Prospectus.

#### **49. Any variation in the utilization of the Net Proceeds as disclosed in this Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.**

We propose to utilize the Net Proceeds of Fresh Issue towards capital expenditure, working capital and general corporate purposes. For further details of the proposed objects of the Issue, see "Objects of the Offer" beginning on page 78.

However, these objects of the Issue have not been appraised by any bank, financial institution or other independent agency. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations. Further, our Promoters would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement to provide an exit opportunity to such dissenting shareholders of our Company may deter our Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition, if any, which may adversely affect our business and results of operations.

**50. Our Company will not receive any proceeds from the Offer for Sale portion of the Issue.**

The proceeds from the Offer for Sale will be paid to the Selling Shareholders. Our Promoters, Mr. Mohit Airen and Mr. Alok Airen, are selling Equity Shares in the Offer and will receive proceeds as part of the Offer for Sale in proportion of their respective portion of the Offered Shares transferred pursuant to the Offer. Accordingly, our Company will not receive any proceeds from the Offer for Sale.

**EXTERNAL RISK FACTORS:**

**51. Significant differences exist between Ind AS, Indian GAAP and other accounting principles, such as US GAAP and International Financial Reporting Standards ('IFRS'), which investors may be more familiar with and consider material to their assessment of our financial condition.**

The Financial Statements of our Company for the Financial Year ending March 31, 2024, and March 31, 2023, have been prepared in accordance with the Ind AS, the Companies Act, 2013.

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

**52. Political, economic, or other factors that are beyond our control may have adversely affect our business and results of operations.**

The Indian economy is influenced by economic developments in other countries. These factors could depress economic activity which could have an adverse effect on our business, financial condition, and results of operations. Any financial disruption could have an adverse effect on our business and future financial performance.

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 products may be adversely affected by an economic downturn in domestic, regional, and global economies.

Economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, and volatility in exchange currency rates, and annual rainfall which affects agricultural production.

Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

**53. A slowdown in economic growth in India could cause our business to suffer.**

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

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

- Any increase in Indian interest rates or inflation;
- Any scarcity of credit or other financing in India;
- Prevailing income conditions among Indian consumers and Indian corporations;
- Changes in India's tax, trade, fiscal or monetary policies;
- Political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- Prevailing regional or global economic conditions; and
- Other significant regulatory or economic developments in or affecting India.

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

**54. Financial instability in both Indian and international financial markets could adversely affect our results of operations and financial condition.**

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States 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 an adverse effect on the securities of companies in other countries. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections.

There are concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have an adverse effect on our cost of funding, loan portfolio, business, future financial performance, and the trading price of the Equity Shares.

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

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be



able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

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

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.

Further, under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

**57. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.**

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business.

Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

**58. We are subject to regulatory, economic, social, and political uncertainties and other factors beyond our control.**

We are incorporated in India and we conduct our corporate affairs and our business in India. Consequently, our business, operations, financial performance will be affected by interest rates, government policies, taxation, social and ethnic instability, and other political and economic developments affecting India.

**59. Company shares its registered office with its group companies.**

Our company shares its registered office with a group company. This arrangement could potentially lead to several risks. Sharing an office could lead to conflicts over the use of shared resources. This could impact our operational efficiency and potentially lead to disputes. There could be operational difficulties arising from the shared use of office space. These could include issues related to maintenance, space allocation, and resource management. If the group company faces any legal issues, it could potentially impact our company as well, given that we share the same registered office.

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

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. 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 unfavorable 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.

**61. Investors may not be able to enforce a judgment of a foreign court against our Company outside India.**

Our Company is incorporated under the laws of India. Our Company's assets are located in India and most of our Company's 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. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian public policy. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, which includes, the United Kingdom, Singapore and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Civil Code. The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in a non-reciprocating territory, such as the United States, for civil liability, whether or not predicated solely upon the general securities laws of the United States, would not be enforceable in India under the Civil Code as a decree of an Indian court.

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

**62. A downgrade in credit ratings of India, may affect the trading price of the Equity Shares. Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India.**

There could be a downgrade of India's sovereign debt rating due to various factors, including changes in tax or fiscal policy, or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. 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, which may cause fluctuations in the prices of our Equity Shares. This could have an adverse effect on our business and financial performance, and ability to obtain financing for expenditures.

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

Foreign ownership of Indian securities is subject to government regulation. Under foreign exchange regulations currently in effect in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the rupees proceeds from the sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the Income Tax authorities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of a securities transaction tax (STT), on the sale of any Equity Shares held for more than 12 months at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. STT will be levied on the seller and/or the purchaser of the Equity Shares and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realised 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.

Any changes in the Finance Act 2023 or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws that are applicable to our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

**65. Significant differences exist between Ind AS and other accounting principles, such as IFRS, which may be material to investors' assessments of our financial condition.**

The financial statements included in this Prospectus have been prepared in accordance with Ind AS. We have not attempted to quantify the impact of IFRS on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of IFRS, which differs in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements, which are restated in accordance with the SEBI ICDR Regulations included in this Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should be limited accordingly.

**66. 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.

## **RISKS RELATED TO OFFER**

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

The Offer Price of the Equity Shares will be determined by our Company (through the IPO Committee) in consultation with the Selling Shareholder and the BRLMs, and through the Book Building Process. This price will be based on numerous factors, as described under "Basis for Offer Price" on page 89 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

**68. There is no guarantee that the Equity Shares will be listed on the Stock Exchanges in a timely manner or at all.**

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. In accordance with current regulations and circulars issued of SEBI, the Equity Shares are required to be listed on the Stock Exchanges within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in the Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

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

Prior to the Offer, 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 Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares has been determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our results of operations, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

- 70. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of the Equity Shares, independent of our results of operations.**

On listing, the Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of the 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 returns on the Equity Shares, independent of our results of operations.

- 71. Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by us may dilute your shareholding and adversely affect the trading price of the Equity Shares.**

After the completion of the Offer, our Promoter will own, directly and indirectly, a substantial majority of our post-Offer Equity Share capital. 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, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by our Promoter, or the perception that such a sale may occur may significantly affect the trading price of the Equity Shares.

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

A public company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in our Company would be diluted.

- 73. 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. RIBs and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations 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 Offer or cause the trading price of the Equity Shares to decline.

### CHAPTER - III - INTRODUCTION THE OFFER

The following table summarizes the Offer details:

PARTICULARS	DETAILS OF EQUITY SHARES
<b>Offer of Equity Shares by our Company</b>	Up to 71,58,000 Equity Shares of face value of ₹ 10 each fully paid-up for cash at price of ₹ 70/- per Equity Share (including a share premium of ₹ 60/- per Equity share) aggregating to ₹ 5,010.60 Lakhs
<i>Consisting of</i>	
<b>Fresh Issue of Equity Shares by our Company<sup>(i)</sup></b>	Up to 59,40,000 Equity Shares having face value of ₹ 10 each at a price of ₹ 70/- per Equity Share (including a share premium of ₹ 60/- per Equity share) aggregating ₹ 4,158.00 Lakhs.
<b>Offer for Sale</b>	Up to 12,18,000 Equity Shares having face value of ₹ 10 each at a price of ₹ 70/- per Equity Share (including a share premium of ₹ 60/- per Equity share) aggregating ₹ 852.60 Lakhs.
<i>Out of above:</i>	
<b>Market Maker Reservation Portion</b>	3,58,000 Equity Shares of face value of ₹ 10 each fully paid-up for cash at price of ₹ 70/- per Equity Share aggregating to ₹ 250.60 Lakhs.
<b>Net Offer to The Public*</b>	68,00,000 Equity Shares of face value of ₹ 10 each fully paid-up for cash at price of ₹ 70/- per Equity Share aggregating to ₹ 4,760 Lakhs.
<i>Out of which*</i>	
<b>(A) QIB Portion<sup>(3)(4)</sup></b>	20,40,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share each aggregating to ₹ 1,428 Lakhs
<i>of which</i>	
• Anchor Investor Portion	5,72,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share each aggregating to ₹ 400.40 Lakhs
• Net QIB Portion	14,68,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share each aggregating to ₹ 1,027.60 Lakhs
<i>of which</i>	
• Available for allocation to Mutual Fund only (5% of the Net QIB Portion)	72,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share each aggregating to ₹ 50.40 Lakhs
• Balance of Net QIB Portion for all QIBs including Mutual Funds	13,96,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share each aggregating to ₹ 977.20 Lakhs
<b>(B) Non – Institutional Portion</b>	Not less than 20,40,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share each aggregating to ₹ 1,428.00 Lakhs
<b>(C) Retail Portion</b>	Not less than 27,20,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share each aggregating to ₹ 1,904 Lakhs
<b>Pre- and Post-Offer Equity Shares</b>	
<b>Equity Shares outstanding prior to the Offer</b>	1,78,37,100 Equity Shares of face value of ₹ 10 each.
<b>Equity Shares outstanding after the Offer</b>	2,37,77,100 Equity Shares of face value of ₹10 each.
<b>Use of Offer Proceeds</b>	For details, please refer chapter titled “ <i>Objects of the Offer</i> ” beginning on page 78 of this Prospectus.

\*Subject to finalisation of the Basis of Allotment, Number of shares may need to be adjusted for lot size upon determination of Offer price

#### Notes:

(i). This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to chapter “**Offer Structure**” beginning on page 323 of this Prospectus. The Offer has been authorised by a resolution of our Board dated July 2, 2024. Our Shareholders have authorised the Offer pursuant to a special resolution dated August 1, 2024.

(ii) Our Company may, in consultation with the BRLM, allocate up to 60 % of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be

available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please see the section titled “offer Procedure” beginning on page 328 of this Prospectus.

(iii) Further, (a) One-third of the portion available to NIIs shall be reserved for applicants with application size of more than ₹ 2 lakhs and up to ₹ 10 lakhs and (b) two-third of the portion available to NIIs shall be reserved for applicants with application size of more than ₹ 10 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of NIIs. The allocation to each NII shall not be less than the Minimum NII Application Size, subject to availability of Equity Shares in the Non- Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

(iv) Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Investors and Retail Individual Investors, shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price. The allocation to each Non- Institutional Investor and Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Non-Institutional Portion and the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis.

(v) SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 5,00,000, shall use UPI. UPI Bidders using the UPI Mechanism, shall provide their UPI ID in the Bid-cum- Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For further details, please see the section titled “Offer Structure” and “Offer Procedure” beginning on page 323 and 328 of this Prospectus

## SUMMARY OF RESTATED CONSOLIDATED FINANCIAL INFORMATION

### Restated Consolidated Summary Statement of Assets and Liabilities

(Rs. in lakhs)

Particulars	Note No	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, Plant and Equipment	2A	630.48	622.95	620.21	693.57
Goodwill	3	539.18	539.18	539.18	539.18
Other Non Current Assets	4	-	37.80		
<b>Total Non Current Assets</b>		<b>1,169.66</b>	<b>1,199.93</b>	<b>1,159.39</b>	<b>1,232.75</b>
<b>Current Assets</b>					
Inventories	5	2,833.83	3,147.76	4,206.71	2,365.41
Financial Assets					
Loans	6	199.48	643.32	-	-
Trade Receivables	7	4,511.30	3,105.16	2,999.51	3,085.83
Cash and Bank Balances	8	230.57	222.40	269.14	263.89
Other Financial Assets	9	210.55	230.52	230.05	214.85
Other Current Assets	10	372.64	299.26	817.91	1,072.70
<b>Total Current Assets</b>		<b>8,358.37</b>	<b>7,648.41</b>	<b>8,523.32</b>	<b>7,002.68</b>
<b>Total Assets</b>		<b>9,528.04</b>	<b>8,848.34</b>	<b>9,682.72</b>	<b>8,235.43</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Equity Share Capital	11	1,783.71	1,783.71	891.86	594.57
Other Equity	12	2,131.19	1,716.53	2,004.58	1,691.72
Non-controlling interests		0.08	0.08	0.06	0.06
<b>Total Equity</b>		<b>3,914.98</b>	<b>3,500.32</b>	<b>2,896.51</b>	<b>2,286.35</b>
<b>LIABILITIES</b>					
<b>Non-Current Liabilities</b>					
Financial Liabilities					
Borrowings	13	632.74	693.72	825.39	839.74
Provisions	14	3.21	3.13	2.36	3.05
Deferred Tax Liabilities (Net)	15	7.51	12.76	18.03	21.09
<b>Total Non Current Liabilities</b>		<b>643.46</b>	<b>709.61</b>	<b>845.78</b>	<b>863.88</b>
<b>Current Liabilities</b>					
Financial liabilities					
Borrowings	16	2,924.80	2,628.38	1,806.10	1,147.76
Trade Payables	17				
Total outstanding dues of micro and small enterprises			66.05	62.24	47.45
Total outstanding dues of creditors other than micro and small enterprises			912.11	1,882.63	1,800.64
Other Financial Liabilities	18	88.73	101.43	68.85	81.31
Other Current Liabilities	19	524.86	541.20	1,895.89	1,901.78
Provisions	20	1.89	176.12	14.15	1.13
Current Tax Liabilities (Net)	21	342.88	213.12	210.57	105.14
<b>Total Current Liabilities</b>		<b>4,969.60</b>	<b>4,638.41</b>	<b>5,940.43</b>	<b>5,085.20</b>
<b>Total Liabilities</b>		<b>5,613.05</b>	<b>5,348.01</b>	<b>6,786.21</b>	<b>5,949.08</b>
<b>Total Equity and Liabilities</b>		<b>9,528.04</b>	<b>8,848.34</b>	<b>9,682.72</b>	<b>8,235.43</b>



Particulars	Note No	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, Plant and Equipment	2A	630.48	622.95	620.21	693.57
Goodwill	3	539.18	539.18	539.18	539.18
Other Non Current Assets	4	-	37.80		
<b>Total Non Current Assets</b>		<b>1,169.66</b>	<b>1,199.93</b>	<b>1,159.39</b>	<b>1,232.75</b>
<b>Current Assets</b>					
Inventories	5	2,833.83	3,147.76	4,206.71	2,365.41
Financial Assets					
Loans	6	199.48	643.32	-	-
<b>Material accounting policies and key accounting estimates and judgements</b>					
The accompanying notes form an integral part of the Restated Consolidated Summary Statements					

# Restated Consolidated Summary Statement of Profit and Loss

(Rs. in lakhs)

Particulars	Note No	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
Revenue from Operations	22	5,337.06	15,154.63	14,454.24	12,365.34
Other Income	23	147.60	13.39	9.89	46.38
<b>Total Income (I)</b>		<b>5,484.66</b>	<b>15,168.02</b>	<b>14,464.12</b>	<b>12,411.72</b>
<b>EXPENSES</b>					
Cost of Materials Consumed	24	2,872.55	10,770.14	11,054.10	9,749.09
Purchase of Traded Goods		-	106.34	-	38.65
Changes in inventories of finished goods and work-in-progress	25	647.66	-18.56	-936.50	-628.07
Employee Benefits Expense	26	335.08	776.09	715.90	651.43
Finance Costs	27	141.57	301.78	265.12	284.42
Depreciation and Amortisation Expense	2A	36.42	84.73	84.41	98.21
Other Expenses	28	909.22	2,310.91	2,453.53	1,761.90
<b>Total Expenses (II)</b>		<b>4,942.49</b>	<b>14,331.43</b>	<b>13,636.56</b>	<b>11,955.63</b>
<b>Profit Before Exceptional and Extraordinary items and Tax (III = I-II)</b>		<b>542.17</b>	<b>836.59</b>	<b>827.56</b>	<b>456.09</b>
<b>Extraordinary items (IV)</b>		-	-	-	-
<b>Profit Before Tax (III+IV)</b>		<b>542.17</b>	<b>836.59</b>	<b>827.56</b>	<b>456.09</b>
<b>Tax Expense</b>					
(1) Current Tax	29	132.77	237.74	222.43	129.24
(2) Deferred Tax		(5.25)	(5.19)	(3.63)	7.78
(3) Current taxes relating to earlier years		-	-	-	-
<b>Profit for the year</b>		<b>414.65</b>	<b>604.05</b>	<b>608.76</b>	<b>319.08</b>
Attributable to		7.56%	3.98%	4.21%	2.57%
Owners of the parent		414.64	604.03	608.76	319.07
Non-controlling interests		0.00	0.02	0.01	0.01
<b>Other Comprehensive Income (OCI)</b>					
Items that will not be reclassified to profit or loss					
- Gain/(Loss) on remeasurement of defined benefit plans		0.01	-0.30	1.96	0.26
- Income tax (expense) / benefit related to items that will not be reclassified to Profit and loss		0.00	0.07	-0.57	-0.08
<b>Total Other comprehensive income (Net of Tax)</b>		<b>0.01</b>	<b>-0.22</b>	<b>1.39</b>	<b>0.18</b>
Attributable to					
Owners of the parent		0.01	-0.22	1.39	0.18
Non-controlling interests		-	-	-	-
<b>Total Comprehensive Income for the Year</b>		<b>414.66</b>	<b>603.82</b>	<b>610.15</b>	<b>319.26</b>
Attributable to					
Owners of the parent		414.66	603.81	610.15	319.25
Non-controlling interests		0.00	0.02	0.01	0.01
<b>Earnings per Equity Share of Rs.10 Each</b>	33				
Basic (in Rs)		2.32	3.39	3.42	1.79
Diluted (in Rs)		2.32	3.39	3.42	1.79
<b>Material accounting policies and key accounting estimates and judgements</b>	1				
The accompanying notes form an integral part of the Restated Consolidated Summary Statements	1 - 44				

# Restated Consolidated Summary Statement of Cash flows

(Rs. in lakhs)

Particulars	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
<b>Cash flow from operating activities:</b>				
<b>Net profit before tax</b>	<b>542.17</b>	<b>836.59</b>	<b>827.56</b>	<b>456.09</b>
<b>Adjustment to reconcile profit before tax to net cash flows</b>				
Depreciation and Amortisation Expense	36.42	84.73	84.41	98.21
-0.13      -0.21				
Provision for Employee Benefits	0.59	0.84	1.17	1.11
Provision for Expected Credit Losses	14.20	1.07	-0.87	3.02
Bad Debts	-	-	0.68	1.78
Liabilities no longer required written back	144.25	2.37	-	-
Net unrealised foreign exchange loss/ (gain)	-	2.72	15.05	3.70
Interest expenses	141.57	301.78	265.12	284.42
<b>Operating profit before working capital changes</b>	<b>879.19</b>	<b>1,230.10</b>	<b>1,192.99</b>	<b>848.14</b>
<b>Adjustment for</b>				
Decrease/ (Increase) in other financial assets	463.80	-643.79	-15.20	39.05
Decrease/ (Increase) in trade receivables	-1,420.34	-106.72	86.53	-304.08
Decrease/ (Increase) in other current assets	-73.39	518.66	254.79	-674.57
Decrease/ (Increase) in other Non Current Assets	37.80	-37.80	-	-
Decrease/ (Increase) in Inventories	313.93	1,058.96	-1,841.31	-175.47
(Decrease)/ Increase in trade payables	-35.99	-971.80	81.73	-674.74
(Decrease)/ Increase in Other financial liabilities	-12.69	32.58	-12.46	34.76
(Decrease)/ Increase in other current liabilities	-16.34	-1,354.69	-5.89	1,306.82
(Decrease)/ Increase in provisions	-174.72	161.59	13.13	-
<b>Cash generated from operations</b>	<b>-38.74</b>	<b>-112.93</b>	<b>-245.68</b>	<b>399.91</b>
Direct taxes paid (net)	-3.01	-235.19	-117.01	-60.67
<b>Net cash generated from operating activities</b>	<b>-41.75</b>	<b>-348.11</b>	<b>-362.69</b>	<b>339.24</b>
<b>Cash Used in investing activities</b>				
Purchase of property, plant and equipment	-43.95	-88.32	-11.06	-49.93
Payments for Acquisition of Investments in Subsidiaries	-	-	-	-
Proceeds from sale of property, plant and equipment	-	0.86	-	11.83
Sale / (Purchase) of Investments (Net)			0.13	0.21
(Increase)/ Decrease in Term Deposits (Net)	-	-	-	-
Interest received	-	-	-	-
<b>Net Cash used in investing activities</b>	<b>-43.95</b>	<b>-87.46</b>	<b>-10.93</b>	<b>-37.89</b>
<b>Cash Used in financing activities</b>				
Increase/ (Decrease) in Borrowings	235.44	690.61	643.99	15.27
Interest paid	-141.57	-301.78	-265.12	-284.42
<b>Net Cash used in financing activities</b>	<b>93.87</b>	<b>388.83</b>	<b>378.87</b>	<b>-269.15</b>
<b>Net (Decrease)/ Increase in cash and cash equivalent (A+B+C)</b>	<b>8.17</b>	<b>-46.74</b>	<b>5.25</b>	<b>32.20</b>
<b>Cash and Cash equivalents (Refer Note 8 for components of Cash and Cash Equivalent)</b>				
At the beginning of the year	222.40	269.14	263.89	231.69
At the end of the year	<b>230.57</b>	<b>222.40</b>	<b>269.14</b>	<b>263.89</b>

## GENERAL INFORMATION

Our company was originally incorporated as Balaji Phosphates Private Limited on April 4, 1996, vide Certificate of Incorporation issued by the Registrar of Companies, Kanpur, under the provisions of the Companies Act, 1956. Following a Special Resolution passed at an Extraordinary General Meeting (EGM) on September 7, 2023, the company was converted from a private limited company to a public limited company. Concurrently, the company's name was changed to "Balaji Phosphates Limited." Upon this conversion, a new Certificate of Incorporation was issued by the Registrar of Companies, Gwalior, dated September 18, 2023, with Corporate Identification Number (CIN) U24123MP1996PLC067394. For further details regarding the name change and the registered office of the company, please refer to the section titled "History and Certain Corporate Matters" starting on page 150 of the Prospectus.

ISSUER INFORMATION	
<b>Registered &amp; Corporate Office</b>	<b>Balaji Phosphates Limited</b> <u><b>Registered Office:</b></u> 305 Utsav Avenue, 12/5 Usha Ganj Jaora Compound, Indore G.P.O., Indore (Madhya Pradesh)- 452001 <b>Contact Person:</b> Ms. Deepika Singh <b>Contact No:</b> +91 9827090267 <b>Email ID:</b> infous@balajiphosphates.com <b>Website:</b> <a href="http://www.balajiphosphates.com">www.balajiphosphates.com</a>
<b>Date of Incorporation</b>	April 4, 1996
<b>Corporate Identification Number</b>	U24123MP1996PTC067394
<b>Registration Number</b>	067394
<b>Company Category</b>	Company Limited by Shares
<b>Company Sub-category</b>	Indian Non-Government Company
<b>Address of Registrar of Companies</b>	3rd Floor, 'A' Block, Sanjay Complex, Jayendra Ganj, Gwalior-474009, Madhya Pradesh
<b>Designated Stock Exchange</b>	<b>National Stock Exchange of India Limited</b> Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra(E), Mumbai – 400051
<b>Company Secretary and Compliance Officer</b>	<b>Ms. Deepika Singh</b> <b>Contact No:</b> +91 9827090267 <b>Email ID:</b> balajiphosphate@gmail.com <b>Address:</b> 305 Utsav Avenue, 12/5 Usha Ganj Jaora Compound, Indore G.P.O., Indore (Madhya Pradesh)- 452001
<b>Chief Financial Officer (CFO)</b>	<b>Mr. Ravindra Kumar Chourishi</b> <b>Address:</b> 202, Vijay Apartment, 30-B Sainath Colony, Sector -B, Indore -452018 <b>Contact No:</b> +91 9926018918 <b>Email ID:</b> balajiphosphate@gmail.com <b>Website:</b> <a href="http://www.balajiphosphates.com">www.balajiphosphates.com</a>
<b>Joint Statutory Auditor &amp; Peer Review Auditor of the company</b>	<b>Bagaria &amp; CO. LLP,</b> <b>Address:</b> 701, Stanford, Junction of S.V.Road & Barfiwala Marg, Andheri West Mumbai, Maharashtra-400058 <b>Email ID:</b> roc@bagariaco.com <b>Contact Number:</b> +91 (22) 62505600 <b>Peer Review:</b> 014670  <b>M/s Mishra Rajiv Kamal &amp; Associates</b> <b>Address:</b> 221b, City Center, 570, MG Road, Indore, Madhya Pradesh- 452001 <b>Email ID:</b> aksambharia@gmail.com <b>Contact Number:</b> +91 8770966269

## BOARD OF DIRECTORS OF OUR COMPANY

Our Company's Board comprises of the following Directors as set forth in the following table: -

Sr. No.	Name of Director	Designation	DIN	Residential Address
1	Mr. Mohit Airen	Managing Director	00326470	6-A, Girdhar Nagar, Indore- 452001
2	Mr. Alok Gupta	Executive Director	00321894	House No. 170, Rani Bag (Main) Village Limbodi, Khandwa Road, Indore – 452001
3	Mr. Sunil Talwar	Executive Director	10105902	602, Nilgiri apartment, Kalindi Mid-town, Bypass Road Bicholi mardana, Indore -452016
4	Ms. Aashi Neema	Independent Director	10149905	502, Monarch Oasis 25-A Scheme No 71 C, Indore- 452009
5	Ms. Nupur Lodwal	Independent Director	10150318	MR 10 Road, 249 B Veena Nagar, Indore- 452010
6	Ms. Sweena Gangwani	Independent Director	08852555	BBC Bhavan, Railway Station Road, Dewas, Madhya Pradesh- 455001

For detailed profile of our Board of Directors, please refer to the chapter titled **“Our Management”** beginning on page 154 of this Prospectus.

*Note: Investors can contact our Company Secretary and Compliance Officer, the Book Running Lead Manager or the Registrar to the Offer, in case of any post-Offer related problems, such as non-receipt of letters of allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode etc.*

## INVESTOR GRIEVANCES

All Offer related grievances relating to the ASBA process and UPI payment mechanism may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, ASBA Form Number, Bidder DP ID, Client ID, UPI ID, PAN, date of the ASBA Form, address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the ASBA Bidder and ASBA Account number (for Bidders other than Retail Investors using the UPI Mechanism) in which the amount equivalent to the Application Amount was blocked or the UPI ID in case of Retail Investor using the UPI Mechanism.

Further, the investors shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents/ information mentioned above. All grievances relating to Applications submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidders whose application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. In terms of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and EBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 SCSBs are required to compensate the investor immediately on the receipt of complaint.

**DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS OFFER AND OUR COMPANY:**

<b>LEAD MANAGER</b>		<b>RTA &amp; REGISTRAR TO THE ISSUE</b>
<b>ARIHANT CAPITAL MARKETS LIMITED</b> 1011, Building No. 10, Solitaire Corporate Park, Guru Hargovindji Road, Chakala, Andheri (East), Mumbai - 400093 <b>Contact Number:</b> +91-22-42254800 <b>Email Address:</b> <a href="mailto:mbd@arihantcapital.com">mbd@arihantcapital.com</a> <b>Investor Grievance E-Mail :</b> <a href="mailto:balajiipo@arihantcapital.com">balajiipo@arihantcapital.com</a> <b>Contact Person:</b> Amol Kshirsagar / Satish Kumar P. <b>Website:</b> <a href="http://www.arihantcapital.com">www.arihantcapital.com</a> <b>SEBI Registration Number:</b> INM000011070 <b>CIN:</b> L67120MP1992PLC007182		<b>Skyline Financial Services Private Limited</b> D-153A, 1st floor, Phase I, Okhla Industrial Area, Delhi - 110020 <b>Contact Person:</b> Mr. Anuj Rana <b>Contact Number:</b> +91-11-26812683, 011- 40450193-97 <b>Email:</b> <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a> <b>Investor Grievance E-Mail:</b> <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a> <b>Website:</b> <a href="http://www.skylinerta.com">www.skylinerta.com</a> <b>SEBI Registration No.:</b> INR000003241 <b>CIN:</b> U74899DL1995PTC071324
<b>BANKERS TO THE COMPANY</b>		<b>LEGAL ADVISOR TO THE ISSUE</b>
<b>Axis Bank Limited</b> No.1, Kamal Palace, Yeshwant Niwas Road, Yeshwant Colony, Indore , Madhya Pradesh-452003. <b>Contact Number:</b> +91 9589498484 <b>Email Id:</b> <a href="mailto:Anoop.jain@axisbank.com">Anoop.jain@axisbank.com</a> <b>Contact Person:</b> Mr. Anoop Jain/ Mr. Gaurav Rajani  <b>Yes Bank Limited</b> Ground Floor, Hotel Mangal City, Scheme no. 54, Vijay Nagar Circle, Indore-452001, Madhya Pradesh <b>Contact Number:</b> +91 9755010196 <b>Email Id:</b> <a href="mailto:anik.sarkar@yesbank.in">anik.sarkar@yesbank.in</a> <b>Contact Person:</b> Mr. Anik Sarkar		<b>Candour Legal</b> Elanza Crest, C 105, Sindhubhavan Rd, nr. Sigma Corporates, opp. Courtyard Marriot, Bodakdev, Ahmedabad, Gujarat 380054 <b>Contact Number:</b> . +91-7228888745 <b>Email Id:</b> <a href="mailto:contact@candourlegal.com">contact@candourlegal.com</a> <b>Contact Person:</b> Mr. Himanshu Bhargav
<b>JOINT STATUTORY AUDITORS OF THE COMPANY</b>		<b>MARKET MAKER</b>
<b>Bagaria &amp; CO. LLP,</b> <b>Address:</b> 701, Stanford, Junction of S.V.Road & Barfiwala Marg, Andheri West Mumbai, Maharashtra, India-400058 <b>Email ID:</b> <a href="mailto:roc@bagariaco.com">roc@bagariaco.com</a> <b>Contact Number:</b> +91 (22) 62505600 <b>Firm Registration Number:</b> 113447W/W-100019 <b>Peer Review:</b> 014670	<b>M/s Mishra Rajiv Kamal &amp; Associates.</b> <b>Address:</b> 221b, City Center, 570, Mg Road, Indore, Madhya Pradesh-- 452001 <b>Email ID:</b> <a href="mailto:aksambharia@gmail.com">aksambharia@gmail.com</a> <b>Contact Number:</b> +91 8770966269 <b>Firm Registration Number:</b> 006752C	<b>NNM Securities Private Limited</b> B-6 & 7, Plot No. 31 Shri Siddhivinayak Plaza, 2nd Floor, C.T. No. 602 Village Oshiwara, Off New Link Rd, Andheri West, Mumbai, Maharashtra 400053 <b>Telephone:</b> 022-40790011, 40790036 <b>Email id:</b> <a href="mailto:compliance@nnmsecurities.com">compliance@nnmsecurities.com</a> <b>Website:</b> <a href="http://www.nnmsecurities.com">www.nnmsecurities.com</a> <b>Contact Person:</b> <b>SEBI Registration No:</b> INZ000234235
<b>BANKERS TO THE ISSUE / PUBLIC ISSUE BANK / REFUND BANKER AND SPONSOR BANK</b>		
<b>Axis Bank Limited</b> Axis House, 6 <sup>th</sup> floor, C-2 Wadia International Centre Pandurang Budhkar Marg, Worli, Mumbai – 400 025 Contact Person : Mr. Vishal M. Lade Tel : 022-43253669; email : <a href="mailto:vishal.lade@axisbank.com">vishal.lade@axisbank.com</a> Website : <a href="http://www.axisbank.com">www.axisbank.com</a> SEBI Registration Number : INBI00000017 CIN : L651105J1993PLC020769		

**SYNDICATE MEMBER**

**NNM Securities Private Limited**  
 B-6 & 7, Plot No. 31 Shri Siddhivinayak Plaza,  
 2nd Floor, C.T. No. 602 Village Oshiwara, Off New Link Rd, Andheri West, Mumbai,  
 Maharashtra 400053  
 Telephone: 022-40790011, 40790036  
 Email id: [compliance@nnmsecurities.com](mailto:compliance@nnmsecurities.com)  
 Website: [www.nnmsecurities.com](http://www.nnmsecurities.com)  
 Contact Person: Vidhi Khemka  
 SEBI Registration No: INZ000234235

## DESIGNATED INTERMEDIARIES

### Self-Certified Syndicate Banks (“SCSBs”)

The list of SCSBs, as updated till date, is available on website of Securities and Exchange Board of India at below link.  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>;  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>  
Investors are requested to refer the SEBI website for updated list of SCSBs and their 33 designated branches.

### Self-Certified Syndicate Banks eligible as Sponsor 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=41>

### Syndicate SCSB Branches

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as ‘Annexure A’ for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

### Registered Brokers

Bidders can submit Bid cum Application Forms in the Offer using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and email address, is provided on the website of the SEBI at (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=42>), respectively, as updated from time to time.

### SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> and  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43> respectively, as updated from time to time.

### Registrar to the Offer and Share Transfer Agents (“RTA”)

The list of the RTAs eligible to accept ASBA forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided at  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10> , as updated from time to time.

### Collecting Depository Participants (“CDP”)

The list of the CDPs eligible to accept Bid-cum-Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

## BROKERS TO THE OFFER

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

## **STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES**

Arihant Capital Markets Limited being sole Book Running Lead Manager to this Offer, all the responsibilities relating to coordination and other activities in relation to the Offer shall be performed by them. Hence, a statement of inter-se allocation of responsibilities is not required.

## **IPO GRADING**

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

## **CREDIT RATING**

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

## **DEBENTURE TRUSTEES**

As this is an Offer of Equity Shares, the appointment of Debenture trustees is not required.

## **GREEN SHOE OPTION**

No Green Shoe Option is applicable for this Offer.

## **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 ₹ 10,000 Lakh. 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

## **APPRAISING ENTITY**

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

## **EXPERT OPINION**

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

Our Company has received written consent dated September 25, 2024 from our Statutory Auditors, Bagaria & CO LLP., Chartered Accountants, to include their name as required under Section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Prospectus as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors and in respect of their (i) examination report dated February 15, 2025, on our Restated Consolidated Financial Statement, and (ii) report dated February 18, 2025, on the statement of special tax benefits available to our Company, and included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## **FILING THE DRAFT RED HERRING PROSPECTUS / RED HERRING PROSPECTUS / PROSPECTUS**

The Draft Red Herring Prospectus was filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India

The Red Herring Prospectus shall be filed with the NSE EMERGE, the SME Exchange Platform of the National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India (“NSE EMERGE”).

The Red Herring Prospectus will be filed with SEBI, but SEBI will not issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus/ Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.



A copy of the Red Herring Prospectus / Prospectus, along with the material contracts and documents referred elsewhere in the Red Herring Prospectus, will be filed with the Registrar of Companies, office situated at 3rd Floor, 'A' Block, Sanjay Complex, Jayendra Ganj, Gwalior-474009, Madhya Pradesh

## BOOK BUILDING PROCESS

Book Building, with reference to the Offer, refers to the process of collection of Bids on the basis of the Red Herring Prospectus / Prospectus within the Price Band. The Price Band shall be determined by our Company and the Selling Shareholder in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in all editions of the English national newspaper, Financial Express; all editions of Hindi national newspaper, Jansatta and Indore (M.P.) Edition of Regional newspaper Indore Samachar, where our registered office is situated, at least two working days prior to the Bid/ Offer Opening date. The Offer Price shall be determined by our Company and the Selling Shareholder, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/ Offer Closing Date. Principal parties involved in the Book Building Process are:

- Our Company;
- The Book Running Lead Manager in this case being Arihant Capital Markets Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with NSE Ltd. and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Offer and;
- The Designated Intermediaries and Sponsor bank

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations.

The Offer is being made through the Book Building Process wherein not more than 30% of the Net Offer shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Applications being received at or above the Offer Price. Further, not less than 30% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 40% of the Net Offer shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Applications being received at or above the Offer Price.

All potential Bidders may participate in the Offer through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB 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 BRLM and the Designated Stock Exchange.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Application Amount) at any stage. Retail Individual Bidders can revise their Applications during the Bid/ Offer Period and withdraw their Applications until the Bid/ Offer Closing Date. Further, Anchor Investors cannot withdraw their Applications after the Anchor Investor Bid/Offer Period. Allocation to the Anchor Investors will be on a discretionary basis.

Subject to valid applications being received at or above the Offer Price, allocation to all categories in the Net Offer, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under – subscription, if any, in any category, would be allowed to be met with spill – over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled “**Offer Procedure**” beginning on page 328 of the Prospectus.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled **“Offer Procedure”** on page 328 of this Prospectus.

**Illustration of the Book Building and Price Discovery Process:** Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five applications from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from applications received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1500	50.00%
1,500	22	3000	100.00%
2,000	21	5000	166.67%
2,500	20	7500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer and Selling Shareholder, in consultation with the BRLM, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Applications at or above this Offer Price and cut-off Bids are valid Applications and are considered for allocation in the respective categories.

#### Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Application (see section titled **“Offer Procedure”** on page 328 of this Prospectus;
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Offer will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Applications on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Applications of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Prospectus and in the Bid cum Application Form;

#### Bid/ Offer Program:

Event	Indicative Dates
Bid/ Offer Opening Date <sup>(1)</sup>	February, 28 2025
Bid/ Offer Closing Date <sup>(2)</sup>	March, 04 2025
Finalization of Basis of Allotment with the Designated Stock Exchange	March, 05 2025
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	March, 05 2025
Credit of Equity Shares to Demat accounts of Allottees	March, 06 2025
Commencement of trading of the Equity Shares on the Stock Exchange	March, 07 2025

<sup>(1)</sup> Our Company and Selling Shareholder in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations

<sup>(2)</sup> Our Company and Selling Shareholder in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/ Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company, revision of the Price Band or any

delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Offer Period (except for the Bid/ Offer Closing Date). On the Bid/ Offer Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 A.M. to 3.00 P.M. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Bidder on Bid/ Offer Closing Date may be extended in consultation with the BRLM, RTA and NSE taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Offer Closing Date, Bidders are advised to submit their bids one (1) day prior to the Bid/ Offer Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Offer Closing Date. Any time mentioned in this Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/ Offer Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms 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 holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid Cum Application Forms prior to the Bid/Issue Closing Date. Allocation to Retail Individual Bidders, in this Offer will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Bidder, the Registrar to the Offer shall ask the relevant SCSBs/RTAs / DPs / stock brokers, as the case may be, for the rectified data.

## UNDERWRITERS

Our Company and the Book Running Lead Manager to the Offer hereby confirm that the Offer is 100% Underwritten. The underwriting agreement is dated February 19, 2025 and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being issued through this Offer.

Name, Address, Telephone, Facsimile, and Email of the Underwriters	Indicated number of Equity Shares to be Underwritten	Amount Underwritten (₹ in Lakhs)	% of the total Offer size Underwritten
<b>ARIHANT CAPITAL MARKETS LIMITED</b> 1011, Building No. 10, Solitaire Corporate Park, Guru Hargovindji Road, Chakala, Andheri (East), Mumbai - 400093 <b>Contact Number:</b> +91-22-42254800 <b>Email Address:</b> <a href="mailto:mbd@arihantcapital.com">mbd@arihantcapital.com</a> <b>Investor Grievance E-Mail :</b> <a href="mailto:balajiipo@arihantcapital.com">balajiipo@arihantcapital.com</a> <b>Contact Person:</b> Amol Kshirsagar / Satish Kumar P. <b>Website:</b> <a href="http://www.arihantcapital.com">www.arihantcapital.com</a> <b>SEBI Registration Number:</b> INM000011070 <b>CIN:</b> L67120MP1992PLC007182	10,73,700	751.59	15%
<b>NNM Securities Private Limited</b> B-6 & 7, Plot No. 31 Shri Siddhivinayak Plaza, 2nd Floor, C.T. No. 602 Village Oshiwara, Off New Link Rd, Andheri West, Mumbai, Maharashtra 400053 <b>Telephone:</b> 022-40790011, 40790036 <b>Email id:</b> <a href="mailto:nikunj.a.mittal@gmail.com">nikunj.a.mittal@gmail.com</a> <b>Website:</b> <a href="http://www.nnmsecurities.com">www.nnmsecurities.com</a> <b>Contact Person:</b> Nikunj Anilkumar Mittal <b>SEBI Registration No:</b> INZ000234235	60,84,300	4,259.01	85%
<b>TOTAL</b>	<b>71,58,000</b>	<b>5,010.60</b>	<b>100%</b>

*Includes 3,58,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance 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 Underwriter are sufficient to enable them to discharge their underwriting obligations in full.

#### CHANGE IN THE STATUTORY AUDITOR DURING LAST 3 YEARS

Except as disclosed below, there has been no change in the statutory auditors during the three years immediately preceding the date of this Prospectus:

Name of the Auditor	Bagaria & Co.LLP	MPV & Co.	M/S Mishra Rajiv Kamal & Associates
FRN No	113447W/W-100019	003995C	006752C
Peer Review No.	014670	NA	NA
Date of Appointment	02/03/2024	30/09/2019	30/09/2024
Date of Change in designation	NA	05/09/2024	NA
Period From	01/04/2023	01/04/2019	01/04/2024
Period to	31/03/2024	31/03/2024	31/03/2029
Email ID	<a href="mailto:roc@bagariaco.com">roc@bagariaco.com</a>	<a href="mailto:mahendrajain_ca@yahoo.co.in">mahendrajain_ca@yahoo.co.in</a>	<a href="mailto:aksambharia@gmail.com">aksambharia@gmail.com</a>
Address	701,Stanford, Junction of S.V.Road Barfiwala Marg, Andheri West Mumbai, Maharashtra, India-400058	201, Amit Chamber, 5-6 Jaora Compound, M.Y.H. Road, Indore, Madhya Pradesh-Mp-452001 In	221b, City Center, 570, Mg Road, Indore, Madhya Pradesh-Mp-452001 In
Reason for Change	New appointment as joint auditor	Term Expired	Appointment as Statutory Auditor

#### WITHDRAWAL OF THE OFFER

Our Company and Selling Shareholder in consultation with the BRLM, reserves the right not to proceed with the Offer at any time before the Offer Opening Date without assigning any reason thereof.

If our Company withdraws the Offer any time after the Offer Opening Date but before the allotment of Equity Shares, a public notice will be issued by our Company within two (2) Working Days of such withdrawal, providing reasons for not proceeding with the Offer. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared, and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Offer, will instruct the SCSBs and Sponsor Bank (in case of RII's using the UPI Mechanism), to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction.

Notwithstanding the foregoing, the Offer is subject to obtaining (i) the Final Listing and Trading Approvals of the Stock Exchange with respect to the Equity Shares issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the registration of Red Herring Prospectus/ Prospectus with ROC.

If our Company withdraws the Offer after the Offer Closing Date and subsequently decides to proceed with an Offer of the Equity Shares, our Company will file a fresh Red Herring Prospectus/ Prospectus with the Stock Exchange where the Equity Shares may be proposed to be listed.

#### TYPE OF OFFER

The present Offer is proposed to be 100% Book Built Issue.

#### MIGRATION TO MAIN BOARD

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the main board of NSE from the EMERGE Platform of NSE (NSE EMERGE) on a later date subject to the terms of migration provided by NSE.

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

Our Company and the Book Running Lead Manager have entered into Market Making Agreement dated February 19, 2025 with

the following Market Maker to fulfill the obligations of Market Making for this Offer:

<b>Name</b>	NNM Securities Private Limited
<b>Address</b>	B-6 & 7, Plot No. 31 Shri Siddhivinayak Plaza, 2 <sup>nd</sup> Floor, C.T. No. 602 Village Oshiwara, Off New Link Rd, Andheri West, Mumbai, Maharashtra 400053
<b>Telephone</b>	022-40790011, 40790036
<b>E-mail</b>	compliance@nnmsecurities.com
<b>Contact Person</b>	Ms. Vidhi Khemka
<b>SEBI Registration Number</b>	INZ000234235

NNM Securities Private Limited registered with NSE will act as the market maker and have agreed to receive or deliver the specified securities in the market making process for a period of three (3) 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 fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and as amended from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time.

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

1. The Market Maker(s) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of NSE Emerge and SEBI from time to time
3. The minimum depth of the quote shall be ₹ 1.00 Lakh. However, the investors with holdings of value less than 1.00 Lakh shall be allowed to offer their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of ₹ 70/- per share the minimum Application lot size is 2,000 Equity Shares thus minimum depth of the quote shall be 2,000 Equity Shares until the same, would be revised by NSE.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Offer over and above 25% equity shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
5. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker(s) during market making process has been made applicable, based on the Offer size and as follows:

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

The 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 offer price.
6. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.

7. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
8. There would not be more than five Market Makers for a scrip at any point of time. These would be selected on the basis of objective criteria to be evolved by the Exchange which would include capital adequacy, net worth, infrastructure, minimum volume of business etc. The Market Makers may compete with other Market Maker for better quotes to the investors. At this stage, NNM Securities Private Limited is acting as the sole Market Maker.
9. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.
10. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
11. The shares of our Company will be traded in continuous trading session from the time and day our Company gets listed on NSE Emerge and the Market Maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
12. 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 problem. 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.
13. Once registered as a Market Maker, he has to act in that capacity for a period as mutually decided between the Book Running Lead Manager and Market Maker. Once registered as a Market Maker, he has to 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 Stock Exchange.
14. The Market Maker shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker.
15. 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 Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018. Further our Company and the Book Running Lead Manager reserve the right to appoint other Market Maker either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Maker does not exceed five (5) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.
16. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we shall enter into an agreement with the Book Running Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Offer. For further details of the arrangement of market making please see ***“General Information”*** on page 53 of this Prospectus.
17. **Punitive Action in case of default by Market Makers:** NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

18. **Price Band and Spreads:** The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
19. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the NSE Emerge.

<b>Sr No.</b>	<b>Market Price slab (in ₹)</b>	<b>Proposed spread (in % to sale price)</b>
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

20. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
21. The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/ NSE Limited from time to time.
22. 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.



## CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Prospectus and after giving effect to the Offer is set forth below:

(Amount ₹ in Lakhs except share data)

Sr. No	Particulars	Aggregate Nominal value	Aggregate value at issue price
1.	<b>AUTHORIZED SHARE CAPITAL</b> 2,50,00,000 Equity Shares of face value of ₹ 10/- each	2,500.00	--
2.	<b>ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL BEFORE THE ISSUE</b> 1,78,37,100 Equity Shares of face value of ₹ 10/- each	1,783.71	--
3.	<b>PRESENT OFFER IN TERMS OF THIS PROSPECTUS</b>		
	Offer of 71,58,000 Equity Shares of ₹ 10/- each at a price of ₹ 70/-per Equity Share including premium of ₹ 60/- per Equity Share.	715.80	5,010.60
	<b>Of which</b>		
	Fresh Public Issue of 59,40,000 Equity Shares of ₹ 10/- each at a price of ₹ 70/-per Equity Share including premium of ₹ 60/- per Equity Share	594.00	4,158.00
	Offer for Sale of 12,18,000 Equity Share of ₹ 10/- each at a price of ₹ 70/-per Equity Share including premium of ₹ 60/- per Equity Share	121.80	852.60
	<b>Out of (3) above :</b>		
	<b>Reservation for Market Maker:</b> 3,58,000 Equity Shares of ₹ 10/- each at a price of ₹ 70/-per Equity Share reserved for allotment to NNM Securities Pvt Ltd being the Market Maker for the Offer	35.80	250.60
	<b>Net Issue to Public:</b> 68,00,000 Equity Shares of ₹ 10/- each at a price of ₹ 70/-per Equity Share to the Public	680.00	4,760.00
	<b>Net Issue to Public consists of</b>		
	<b>Allocation to Qualified Institutional Buyers:</b> Not more than 20,40,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share will be available for allocation to Qualified Institutional Buyers	204.00	1,428.00
	<b>Allocation to Non-Institutional Investors:</b> At least 20,40,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share will be available for allocation to Non-Institutional Investors	204.00	1,428.00
	<b>Allocation to Retail Individual Investors:</b> At least 27,20,000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 70/- per Equity Share will be available for allocation to Retail Investors	272.00	1,904.00
4.	<b>PAID UP EQUITY CAPITAL AFTER THE ISSUE</b> 2,37,77,100 Equity Shares of ₹ 10/- each	2,377.71	-
5.	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue		NIL
	After the Issue		3,564.00

*\*\*The present Offer has been authorized pursuant to a resolution of our Board of Directors dated July 2, 2024 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extraordinary General Meeting of the members held on August 1, 2024.*

*\*\*\*Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Offer Price. Under subscription, if any, in any of the categories, would be allowed to be met with spillover from any of the other categories or a combination of categories at the discretion of our Company and Selling Shareholder in consultation with the Book Running Lead Manager and Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.*

### CLASS OF SHARES

The Company has only one class of shares i.e., Equity shares of ₹ 10/- each only and all Equity Shares are ranked pari passu in all respect. All Equity Shares issued by our Company are fully paid-up as on date of the Prospectus.

Our Company does not have any outstanding convertible instruments as on the date of the Prospectus.



## NOTES TO THE CAPITAL STRUCTURE

### 1.Changes in Authorized Equity Share Capital of our Company:

The authorized capital of the Company was ₹ 2,00,000 consisting of 20,000 Equity Shares at the time of incorporation. Further authorized share capital of the Company has been altered in the manner set forth below:

Sr. No.	Date of Shareholders approval	EGM/AGM/ Postal Ballot	Authorized Share Capital (Rs.)	Details of change
1	April 4, 1996	On Incorporation	2,00,000	Incorporated with an Authorized Share Capital of ₹2,00,000 comprising of 20,000 Equity Shares of ₹10/- each.
2	April 26, 2002	EGM	10,00,000	Increased Authorised Capital from ₹2.00 Lacs to ₹10.00 Lacs
3	March 10, 2009	EGM	1,00,00,000	Increased Authorised Capital from ₹10.00 Lacs to ₹1.00 Crores
4	April 06, 2010	EGM	1,50,00,000	Increased Authorised Capital from ₹ 1 Crore to ₹ 1.5 Crores
5	March 03, 2014	EGM	5,25,00,000	Increased Authorised Capital from ₹ 1.5 Crore to ₹ 5.25 Crores
6	March 31, 2014	EGM	10,00,00,000	Increased Authorised Capital from ₹ 5.25 Crores to ₹ 10 Crores
7	March 16, 2016	EGM	10,60,00,000	Increased Authorised Capital from ₹ 10 Crores to ₹ 10.60 Crores
8	May 08, 2023	EGM	16,00,00,000	Increased Authorised Capital from ₹10.60 Crores to ₹16 Crores
9	August 26, 2023	EGM	25,00,00,000	Increased Authorised Capital from ₹16 Crores to ₹25 Crore

### 2.History of Equity Share capital of the Company

Our existing Paid-up Equity Share Capital has been subscribed and allotted in the manner set forth below:

Date of Allotment	No. of Equity Shares Allotted	Face Value per Equity Share (In Rs.)	Issue Price per Equity Share (In Rs.)	Nature of Consideration	Nature of Allotment	Cumulative Number of Equity Share	Cumulative Paid-up Capital (In Rs.)
At the time of Incorporation	200	10	10	Cash	Equity	200	2,000
05-05-2002	9,800	10	10	Cash	Right Issue	10,000	1,00,000
25-03-2010	8,15,100	10	10	Cash	Right Issue	8,25,100	82,51,000
10-04-2010	4,00,000	10	10	Cash	Right Issue	12,25,100	1,22,51,000
31-03-2014 *	64,02,218	10	10	Cash	Right Issue	76,27,318	7,62,73,180
05-03-2015	8,33,700	10	10	Cash	Right Issue	84,61,018	8,46,10,180
31-03-2015	11,66,300	10	10	Cash	Right Issue	96,27,318	9,62,73,180
31-03-2016	9,12,500	10	10	Cash	Right Issue	1,05,39,818	10,53,98,180
14-05-2020#	(45,94,118)	-	-	-	-	59,45,700	5,94,57,000
02-03-2023**	29,72,850	10	Nil	Other than Cash	Bonus Issue in the ratio of 1:2	89,18,550	8,91,85,500
28-08-2023***	89,18,550	10	Nil	Other than Cash	Bonus Issue In the ratio of 1 : 1	1,78,37,100	17,83,71,000

\* including 45,94,118 Equity Shares which were partly paid i.e. paid-up at Rs. 5/- per Equity Share.

# as call money was not paid, the Board of Directors of the Company in their meeting held on May 14, 2020, forfeited these shares.

\*\*Bonus ratio dated 2/03/2023: - Ratio of bonus issue was 2:1 i.e (every two existing equity shares one new equity shares)

\*\*\* Bonus ratio dated 28/08/2023: - Ratio of bonus issue was 1:1 i.e (every one existing equity shares one new equity shares)

### 2. (1) Subscription to the Memorandum of Association dated April 4, 1996

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature Of Allotment	Number Of Equity Shares Allotted
1.	Sushil Kumar Agrawal	10.00/-	10.00/-	Subscription to MoA	100
2.	Pawan Kumar Agrawal	10.00/-	10.00/-	Subscription to MoA	100
	<b>Total</b>				<b>200</b>

**(2) Allotment of shares dated May 05, 2002**

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature Of Allotment	Number Of Equity Shares Allotted
1.	Sushil Kumar Agrawal	10.00/-	10.00/-	Right Issue	4900
2.	Pawan Kumar Agrawal	10.00/-	10.00/-	Right Issue	4900
	<b>Total</b>				<b>9,800</b>

**(3) Allotment of shares dated March 25, 2010**

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature Of Allotment	Number Of Equity Shares Allotted
1	Apeksha Securities Ltd	10.00/-	10.00/-	Right Issue	300000
2	Dear Born Commodeal Pvt. Ltd.	10.00/-	10.00/-	Right Issue	200000
3	Manoj Kanodia	10.00/-	10.00/-	Right Issue	115100
4	Nikita Kanodia	10.00/-	10.00/-	Right Issue	50000
5	Salsett Vinimay Pvt. Ltd	10.00/-	10.00/-	Right Issue	50000
6	Udhyan Merchandies Ltd	10.00/-	10.00/-	Right Issue	50000
7	Umra Securities Pvt. Ltd	10.00/-	10.00/-	Right Issue	50000
	<b>Total</b>				<b>8,15,100</b>

**(4) Allotment of shares dated April 10, 2010**

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature Of Allotment	Number Of Equity Shares Allotted
1	Dearborn Commodeal Pvt Ltd	10/-	10/-	Right Issue	400000
	<b>Total</b>				<b>4,00,000</b>

**(5) Allotment of shares dated March 31, 2014**

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature Of Allotment	Number Of Equity Shares Allotted
1	Alok Gupta HUF	10/-	10/-	Right Issue	306000
2	Meenakshi Gupta	10/-	10/-	Right Issue	210000
3	Mohit Airen HUF	10/-	10/-	Right Issue	373500
4	Mohit Airen	10/-	10/-	Right Issue	10100
5	Rita Airen	10/-	10/-	Right Issue	430000
6	Sonu Airen	10/-	10/-	Right Issue	328500
	<b>TOTAL</b>				<b>16,58,100</b>

**(6) Allotment of shares dated March 31, 2014**

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature Of Allotment	Number Of Equity Shares Allotted
1	Alok Gupta	10/-	10/-	Right Issue	150000
2	Rajendra Kumar Jain	10/-	10/-	Right Issue	40000
3	Bhagwati Prasad Nagori	10/-	10/-	Right Issue	40000
4	Amod Jha	10/-	10/-	Right Issue	40000
5	Puskar Raj Jain	10/-	10/-	Right Issue	40000
6	Ankit Neema	10/-	10/-	Right Issue	40000
7	Vivek Sambharia	10/-	10/-	Right Issue	40000
8	Akshay Kumar Sambharia	10/-	10/-	Right Issue	60000

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature Of Allotment	Number Of Equity Shares Allotted
9	Nemi Chand Jain	10/-	10/-	Right Issue	40000
10	Balram Patidar	10/-	10/-	Right Issue	40000
11	Jaspal Singh Saluja	10/-	10/-	Right Issue	30000
12	Sanjay Sharma	10/-	10/-	Right Issue	40000
13	Ishwar Singh Patel	10/-	10/-	Right Issue	40000
14	Rajesh Mandloi	10/-	10/-	Right Issue	40000
15	Sandhya Mandloi	10/-	10/-	Right Issue	40000
16	Ashok Jain	10/-	10/-	Right Issue	40000
17	Aakash Jain	10/-	10/-	Right Issue	40000
18	Ranjit Nagar	10/-	10/-	Right Issue	40000
19	Rajaram Jain	10/-	10/-	Right Issue	40000
20	Ramesh Pal	10/-	10/-	Right Issue	40000
21	Rekha Pal	10/-	10/-	Right Issue	40000
22	Deepak Bajaj	10/-	10/-	Right Issue	40000
23	Manoj Jain	10/-	10/-	Right Issue	40000
24	Santosh Jain	10/-	10/-	Right Issue	40000
25	Gaurav Jain	10/-	10/-	Right Issue	40000
26	Rajat Mishra	10/-	10/-	Right Issue	50000
27	Harinarayan Katore	10/-	10/-	Right Issue	50000
28	Durgesh Geete	10/-	10/-	Right Issue	50000
29	Vikram Singh Chauhan	10/-	10/-	Right Issue	50000
30	Satyendra Khanna	10/-	10/-	Right Issue	50000
31	Kamlesh Kumar	10/-	10/-	Right Issue	50000
32	Dharmendra Jain	10/-	10/-	Right Issue	40000
33	Manoj Jain	10/-	10/-	Right Issue	40000
34	Manoj Jain	10/-	10/-	Right Issue	40000
35	Lal Chand Jain	10/-	10/-	Right Issue	40000
36	Abhishek Gupta	10/-	10/-	Right Issue	60000
37	Amit Gupta	10/-	10/-	Right Issue	50000
38	Anil Pariya	10/-	10/-	Right Issue	36000
39	Ankesh Choudhary	10/-	10/-	Right Issue	40000
40	Ashish Kumar Gupta	10/-	10/-	Right Issue	40000
41	Bahadur Choudhary	10/-	10/-	Right Issue	40000
42	Bharat Lal Gupta	10/-	10/-	Right Issue	40000
43	Brijesh Kumar Gupta	10/-	10/-	Right Issue	44000
44	Deepak Kumar Gupta	10/-	10/-	Right Issue	30000
45	Ganesh Muwala	10/-	10/-	Right Issue	36000
46	Jitendra Muwala	10/-	10/-	Right Issue	36000
47	Jitendra Sisodiya	10/-	10/-	Right Issue	40000
48	Mradul Kankane	10/-	10/-	Right Issue	40000
49	Mukesh Mandloi	10/-	10/-	Right Issue	30000
50	Neha Gandhi	10/-	10/-	Right Issue	34000
51	Parvinder Kaur	10/-	10/-	Right Issue	40000
52	Piyush Kankane	10/-	10/-	Right Issue	24000
53	Rajesh Kumar Gupta	10/-	10/-	Right Issue	50000
54	Vijay Barfa	10/-	10/-	Right Issue	30000
55	Vivek Gupta	10/-	10/-	Right Issue	60000
56	Rohit Panchal	10/-	10/-	Right Issue	100000
57	Hukumchand Panchal	10/-	10/-	Right Issue	30000
58	Rakesh Raikwar	10/-	10/-	Right Issue	30000
59	Asim Maheshwari	10/-	10/-	Right Issue	30000
60	Jagdish Bhayal	10/-	10/-	Right Issue	30000
61	Ashok Jain	10/-	10/-	Right Issue	40000
62	Sawan Kumar Satle	10/-	10/-	Right Issue	40000
63	Lokesh Jain	10/-	10/-	Right Issue	50000
64	Nitin Jain	10/-	10/-	Right Issue	50000
65	Aakansha Jain	10/-	10/-	Right Issue	50000
66	Balkrishna Rathore	10/-	10/-	Right Issue	50000
67	Jinmata Industries	10/-	10/-	Right Issue	1208140

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature Of Allotment	Number Of Equity Shares Allotted
68	Vikas Traders, Dewas	10/-	10/-	Right Issue	601378
69	U. S Sahai	10/-	10/-	Right Issue	54600
	<b>Total</b>				<b>47,44,118</b>

**(7) Allotment of shares dated March 05, 2015**

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature Of Allotment	Number Of Equity Shares Allotted
1	Mohit Airen	10/-	10/-	Right Issue	370300
2	Alok Gupta	10/-	10/-	Right Issue	463400
	<b>Total</b>				<b>8,33,700</b>

**(8) Allotment of shares dated March 31, 2015**

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature Of Allotment	Number Of Equity Shares Allotted
1	Mohit Airen	10/-	10/-	Right Issue	570290
2	Alok Gupta	10/-	10/-	Right Issue	596010
	<b>Total</b>				<b>11,66,300</b>

**(9) Allotment of shares dated March 31, 2016**

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature Of Allotment	Number Of Equity Shares Allotted
1	Mohit Airen HUF	10/-	10/-	Right Issue	237000
2	Alok Gupta	10/-	10/-	Right Issue	126000
3	Mohit Airen	10/-	10/-	Right Issue	284000
4	Rita Airen	10/-	10/-	Right Issue	118500
5	Sonu Airen	10/-	10/-	Right Issue	147000
	<b>Total</b>				<b>9,12,500</b>

**(10) Allotment of shares dated March 02, 2023**

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature Of Allotment	Number Of Equity Shares Allotted
1	Alok Gupta HUF	10/-	Nil	Bonus Issue	153000
2	Meenakshi Gupta	10/-	Nil	Bonus Issue	105000
3	Mohit Airen HUF	10/-	Nil	Bonus Issue	305250
4	Mohit Airen	10/-	Nil	Bonus Issue	1197870
5	Sonu Airen	10/-	Nil	Bonus Issue	237750
6	Alok Gupta	10/-	Nil	Bonus Issue	973980
	<b>Total</b>				<b>29,72,850</b>

**(11) Allotment of shares dated August 28, 2023**

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature Of Allotment	Number Of Equity Shares Allotted
1	Alok Gupta HUF	10/-	Nil	Bonus Issue	459000
2	Meenakshi Gupta	10/-	Nil	Bonus Issue	314900
3	Mohit Airen H	10/-	Nil	Bonus Issue	915750
4	Mohit Airen	10/-	Nil	Bonus Issue	3593610
5	Sonu Airen	10/-	Nil	Bonus Issue	713250
6	Alok Gupta	10/-	Nil	Bonus Issue	2921940
7	Somchand Gupta	10/-	Nil	Bonus Issue	100
	<b>Total</b>				<b>89,18,550</b>

**3. Preference Share capital history of the Company**

The Company does not have any preference share capital as of the date of this Prospectus.

**4. Issue of equity shares for consideration other than cash:**

Except as set out below we have not issued Equity Shares for consideration other than cash.

<b>Date of Allotment</b>	<b>Number of Equity Shares Allotted</b>	<b>Face Value (In Rs.)</b>	<b>Issue Price (In Rs.)</b>	<b>Reason for Allotment</b>	<b>Benefits accrued to our Company</b>
02.03.2023	29,72,850	10/-	-	Bonus issue in the ratio of 2:1 i.e (every two existing equity shares one new equity shares)	Capitalization of reserves
28.08.2023	89,18,550	10/-	-	Bonus issue in the ratio of 1: 1 i.e (every one existing equity share one new equity share)	Capitalization of reserves

*Note: For list of allottees see note 1 to 11 of paragraph titled “History of Equity Share capital of the Company” mentioned above.*

4. Our company has not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
5. 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, 2021.
6. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 230 to 234 of the Companies Act, 2013.
7. Issue of specified securities at a price lower than the Offer Price in the last one year.
8. Our Company has not issued any Equity Shares at a price which is lower than the Offer Price during a period of one year preceding the date of this Prospectus.
9. Our Company has 7 (Seven) shareholders, as on the date of this Prospectus.

**Shareholding Pattern of our Company and the Equity shares held by them is as follows:**

The table below represents the current Shareholding pattern of our Company as on the date of this Prospectus:

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No of fully paid up equity shares held (IV)	No of partly paid up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total No of Shares held (VII = IV + V + VI)	Shareholding as a % of total No. of Shares (calculated as per SCRR,1957 (As a % of (A + B + C2) (VIII)	Number of Voting Rights held in each Class of securities (IX)		No of underlying outstanding convertible securities (incl. Warrants) (X)	Shareholding as a % assuming full Conversion of convertible securities (as a % of diluted share capital (As a % of (A + B + C2) (XI = VII + X)	Number of Locked in shares (XII)		No. of shares Pledged or Otherwise Encumbered (XIII)		No. of Equity shares held in Dematerialised Form (XIV)
								No of voting Right	Total as % of (A+B+C)			No (a)	As a % of total shares held (b)	No (a)	As a % of total shares held (b)	
<b>A</b>	Promoter and Promoter Group	7	1,78,37,100	--	--	1,78,37,100	100	1,78,37,100	100	--	100	--	--	--	--	1,78,37,100
<b>B</b>	Public	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>C</b>	Non-Promoter Non-Public	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>C1</b>	Shares Underlying DRs	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>C2</b>	Shares held by Employee Trusts	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
	<b>Total (A+B+C)</b>	<b>7</b>	<b>1,78,37,100</b>	<b>--</b>	<b>--</b>	<b>1,78,37,100</b>	<b>100</b>	<b>1,78,37,100</b>	<b>100</b>	<b>--</b>	<b>100</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>c</b>

The Company will file the shareholding pattern of the Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, one (1) day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the website of Stock Exchange before commencement of trading of such Equity Shares

**NOTE:**As on date of this Prospectus 1(One) Equity share holds 1(One) vote.

The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (SAST) Regulations

We have only one class of Equity Shares of face value of Rs.10.00/- each.

We have entered into tripartite agreement with NSDL and CDSL.

### 1. Shareholding of our Directors, Key Managerial Personnel and Senior Management in our Company

Except as stated below, none of our directors or Key Managerial Personnel hold any Equity Shares

Name	Number of Equity shares	Percentage of pre-Issue Equity shares capital
Mr. Mohit Airen	71,87,220	40.29%
Mr. Alok Gupta	58,43,880	32.76%

### 2. The share holding pattern of our Promoter and Promoter Group before and after the Offer is set forth below:

Particulars	Pre-Offer		Post-Offer*	
	No. of equity shares	Percentage (%) holding	No. of equity shares	Percentage (%) holding
<b>Promoters (A)</b>				
Mr. Mohit Airen	71,87,220	40.29%	65,78,220	27.67%
Mr. Alok Gupta	58,43,880	32.76%	52,34,880	22.02%
<b>Total (A)</b>	<b>1,30,31,100</b>	<b>73.05%</b>	<b>1,18,13,100</b>	<b>49.68%</b>
<b>Promoter Group (B)</b>				
Alok Gupta HUF	9,18,000	5.15%	9,18,000	3.86%
Mohit Airen HUF	18,31,500	10.27%	18,31,500	7.70%
Ms. Meenakshi Gupta	6,29,800	3.53%	6,29,800	2.65%
Mr. Somchand Gupta	200	0.00%	200	-
Ms. Sonu Airen	14,26,500	8.00%	14,26,500	6.00%
<b>Total (B)</b>	<b>48,06,000</b>	<b>26.95%</b>	<b>48,06,000</b>	<b>20.21%</b>
<b>Total (A+B)</b>	<b>1,78,37,100</b>	<b>100%</b>	<b>1,166,19,100</b>	<b>69.90%</b>

\*Subject to Basis of Allotment

### 3. Details regarding major shareholders:

#### (a) List of shareholders holding 1% or more of the paid-up capital of our Company as on date of this Prospectus:

Particulars	Number of Shares	Percentage (%) holding
Mr. Mohit Airen	71,87,220	40.29%
Mr. Alok Gupta	58,43,880	32.76%
Alok Gupta HUF	9,18,000	5.15%
Mohit Airen HUF	18,31,500	10.27%
Ms. Meenakshi Gupta	6,29,800	3.53%
Ms. Sonu Airen	14,26,500	8.00%
<b>Total</b>	<b>1,78,36,900</b>	<b>100%</b>

#### (b) List of shareholders holding 1% or more of the paid-up capital of our Company Two (2) years prior to the date of this Prospectus:

Particulars	Number of Shares	Percentage (%) holding
Alok Gupta HUF	3,06,000	5.15%
Mrs. Meenakshi Gupta	2,10,000	3.53%
Mohit Airen HUF	6,10,500	10.27%
Mr. Mohit Airen	23,95,740	40.29%
Ms. Sonu Airen	4,75,500	8.00%
Mr. Alok Gupta	19,47,960	32.76%
<b>Total</b>	<b>59,45,700</b>	<b>100%</b>

**(c) List of shareholders holding 1% or more of the paid-up capital of, our Company One (1) year prior to the date of this Prospectus:**

Particulars	Number of Shares	Percentage (%) holding
Alok Gupta HUF	9,18,000	5.15%
Ms. Meenakshi Gupta	6,29,800	3.53%
Mohit Airen HUF	18,31,500	10.27%
Mr. Mohit Airen	71,87,220	40.29%
Ms. Sonu Airen	14,26,500	8.00%
Mr. Alok Gupta	58,43,880	32.76%
<b>Total</b>	<b>1,78,36,900</b>	<b>100%</b>

**(d) List of shareholders holding 1% or more of the paid-up capital of our Company Ten (10) days prior to the date of this Prospectus:**

Particulars	Number of Shares	Percentage (%) holding
Mr. Mohit Airen	71,87,220	40.29%
Mr. Alok Gupta	58,43,880	32.76%
Alok Gupta HUF	9,18,000	5.15%
Mohit Airen HUF	18,31,500	10.27%
Ms. Meenakshi Gupta	6,29,800	3.53%
Ms. Sonu Airen	14,26,500	8.00%
<b>Total</b>	<b>1,78,36,900</b>	<b>100%</b>

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

As on the date of filing the Prospectus document, our Company does not have any such plan for altering the capital structure by way of split or consolidation of the denomination of the shares, or issue of specified securities on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement. However, our Company may alter its capital structure by way of split / consolidation of the denomination of Equity Shares or make further issue of equity shares in a manner permissible under SEBI Regulations within a period of six months from the date of opening of the present issue to finance or meet any business need of the Company, as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

**5. Details of our Promoters' Shareholding**

As on the date of this Prospectus, our Promoters Mr. Alok Gupta and Mr. Mohit Airen collectively hold 1,30,31,100 Equity Shares, constituting 73.05% of the present issued, subscribed and paid-up Equity Share capital of our Company.

**Build-up of our Promoters' shareholding in our Company**

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of Allotment	% of pre issue equity share capital	% of post issue equity share capital*
<b>Name of Promoter: Mr. Alok Gupta</b>							
31 March 2014	307400	10	-	Cash	By way of Transfer from Lakshya Vinjya 307400 Equity Shares	1.72	1.29
31 March 2014	150000	10	10	Cash	Right Issue	0.84	0.63



Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of Allotment	% of pre issue equity share capital	% of post issue equity share capital*
05 March 2015	463400	10	10	Cash	Right Issue	2.59	1.95
31 March 2015	596010	10	10	Cash	Right Issue	3.34	2.51
31 March 2016	126000	10	10	Cash	Right Issue	0.71	0.53
14 May 2020	305150	10	—	Cash	By way of Transfer from Manoj Kanodia 57550 Equity Shares, Nikita Kanodia 25000 Equity Shares, Sushil Agrawal 5,000 Equity Shares , and Lilac Vypar 217600 Equity Shares .	1.71	1.28
02 March 2023	973980	10	—	Consideration other than cash	Bonus Issue	5.46	4.10
28 August 2023	2921940	10	—	Consideration other than cash	Bonus Issue	16.38	12.29
<b>Total</b>	<b>58,43,880</b>					<b>32.76%</b>	<b>24.58%</b>
<b>Name of Promoter: Mr. Mohit Airen</b>							
<b>31 March 2014</b>	307400	10	—	Cash	By way of Transfer from Lakshya Vinjya 217600 Equity shares and from Lilac Vyapar 89,800 Equity shares	1.73	1.29
<b>31 March 2014</b>	10100	10	10	Cash	Right Issue	0.06	0.04
<b>05 March 2015</b>	370300	10	10	Cash	Right Issue	2.07	1.56
<b>31 March 2015</b>	570290	10	10	Cash	Right Issue	3.20	2.40
<b>31 March 2016</b>	284000	10	10	Cash	Right Issue	1.59	1.19
<b>14 May 2020</b>	853650	10	-	Cash	By way of Transfer	4.78	3.59
<b>02 March 2023</b>	1197870	10	—	Consideration other than cash	Bonus Issue	6.71	5.04
<b>28 August 2023</b>	3593610	10	—	Consideration other than cash	Bonus Issue	20.15	15.11
<b>Total</b>	<b>71,87,220</b>					<b>40.29%</b>	<b>30.23%</b>

\*Subject to finalization of Basis of Allotment

6. All the Equity Shares held by our Promoters are fully paid up and are not subject to any pledge.
7. The average cost of acquisition of or subscription to Equity Shares by our Promoters are set forth in the table below:

Name of the Promoters	No. of Equity Shares held	Average cost of Acquisition (in ₹) *
Mr. Alok Gupta	58,43,880	2.80
Mr. Mohit Airen	71,87,220	2.78

*\*Pursuant to certificate dated February 20, 2025 issued jointly by our Statutory Auditors Bagaria & Co. LLP, Chartered Accountants, and Mishra Rajiv Kamal & Associates, Chartered Accountants.*

#### 8. Acquisition and sale/transfer of Equity Shares by our Promoters Group and director of the Company and their relative in last six (6) months

There has been no acquisition, sale or transfer of Equity Shares by our Promoters Group and/or director of the Company and their relative during last 6 months preceding the date of filing of this Prospectus.

9. There are no financing arrangements have been entered by the members of the Promoter Group, the Directors or their relatives for the purchase by any other person of the securities of our Company other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of this Prospectus.

#### Details of Promoters' Contribution and Lock-in for Three Years

10. Pursuant to the Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Offer Equity Share Capital held by our Promoter shall be considered as promoter's contribution ("Promoter's Contribution") and locked-in for a period of three years from the date of allotment. The lock-in of the Promoter's 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.

Details of the Equity Shares forming part of Promoters' Contribution and his lock-in details are as follows:

Date of Allotment/transfer/ made fully paid up	Nature of acquisition	Number of Equity Shares in lock in	Face Value per Equity Share (₹)	Offer price per Equity Share (₹)	% Of Pre-Issue Equity Share Capital	% Of Post-Issue Equity Share Capital	Lock-in Period
<b>Mr. Alok Gupta</b>							
28 August 2023	Bonus Issue	21,32,599.00	10	-	11.96%	8.97 %	3 Years
<b>Total (A)</b>		<b>21,32,599.00</b>	<b>-</b>	<b>-</b>	<b>11.96%</b>	8.97 %	-
<b>Mr. Mohit Airen</b>							
28 August 2023	Bonus Issue	26,22,822.00	10	-	14.70%	11.03%	3 Years
<b>Total (B)</b>		<b>26,22,822.00</b>	<b>10</b>	<b>-</b>	<b>14.70%</b>	11.03%	
<b>Total( A+B)</b>		<b>47,55,421.00</b>				<b>20%</b>	

*All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition of such Equity Shares, as the case may be. For details regarding allotment of the above Equity Shares, please refer chapter "History of Paid-up Share Capital of our Company"*

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters Contribution under Regulation 237 of the SEBI (ICDR) Regulations, 2018. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of ineligible shares including the following:

- The Equity Shares acquired during the three years preceding the date of this Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets, or bonus shares issued out of revaluations reserves or unrealized profits or against equity shares which are otherwise ineligible for computation of Promoter's Contribution;
- The Equity Shares acquired during the year preceding the date of this Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue is not part of the minimum promoter's contribution;
- The Equity Shares held by the Promoters that are subject to any pledge or any other form of encumbrance.
- Equity Shares allotted to our Promoter(s) during the preceding one (1) year, at a price lower than the price at which Equity Shares are being offered to the public in the Issue, upon conversion of a partnership firm or a limited liability partnership into the Company in the past one (1) year and such allotment is not against the capital existing in such firms for a period of more than one year on a continuous basis.
- Specific written consent has been obtained from the Promoters for inclusion of 47,55,421 Equity Shares for ensuring lock-in of three years to the extent of minimum 20% of post issue Paid-up Equity Share Capital from the date of allotment in the

public Offer.

- vi. The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoter under the SEBI (ICDR) Regulations. The Promoters' Contribution constituting 47,55,421 Equity Shares which is 20% of the post issue capital shall be locked-in for a period of three years from the date of Allotment of the Equity Shares in the Issue.
- vii. We further confirm that our Promoters' Contribution of 20% of the Post Offer Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.
- viii. Our Company has not been formed by conversion of a partnership firm into a company and hence no Equity Shares have been issued in the one year immediately preceding the date of this Prospectus pursuant to conversion of a partnership firm; and the Equity Shares held by our Promoters and offered as part of the Minimum Promoter's Contribution are not subject to any pledge.
- ix. The Equity Shares held by the Promoters and offered for minimum 20% Promoter's Contribution are not subject to any pledge.
- x. Our Promoter's Contribution of 20% of the Post Offer Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance
- xi. As on the date of this Prospectus, the Equity Shares held by our Promoter(s) are in dematerialized form.

#### **11. Equity Shares locked-in for one year other than Minimum Promoters' Contribution.**

Pursuant to regulation 238(b) and 239 of the SEBI (ICDR) Regulations, other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years, all pre-Offer **1,78,37,100** Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Offer.

#### **12. 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.

#### **13. Pledge of Locked in Equity Shares**

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

- a) if the equity shares are locked-in in terms of clause (a) of regulation 238, the loan has been granted to the company for the purpose of financing one or more of the objects of the Offer and pledge of equity shares is one of the terms of sanction of the loan;
- b) if the specified securities are locked-in in terms of clause (b) of regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock-in period stipulated in these regulations has expired.

#### **14. Transferability 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.

15. Our Company, our Directors and the Book Running Lead Manager to this Offer have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.

16. As on date of this Prospectus, there are no partly paid-up equity shares and all the Equity Shares of our Company are fully paid up.

17. Except as disclosed under the chapter titled ***“Capital Structure”*** beginning on page no. 65 of this Prospectus, our Company has not undertaken any public Offer of securities of any kind or class of securities.
18. As per RBI regulations, OCBs are not allowed to participate in this Issue.
19. Our Company has not raised any bridge loans.
20. There are no Equity Shares against which depository receipts have been issued.
21. The Offer Price shall be determined by our Company and Selling Shareholder, in consultation with the Book Running Lead Manager.
22. Our Promoters and the members of our Promoter Group will not participate in this Offer.
23. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
24. As on the date of this Prospectus, the Book Running Lead Manager and their respective associates (as defined under Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares in our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
25. Our Company will ensure that any transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Red Herring Prospectus and Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
26. As on the date of this Prospectus, the Book Running Lead Manager and their respective associates (determined as per the definition of ‘associate Company’ under Section 2(6) of the Companies Act, 2013) do not hold any Equity Shares in our Company.
27. No person connected with the Offer shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Bidder.
28. For the details of transactions by our Company with our Promoter Group, Group Companies during the last financial years i.e., 2024, 2023 and 2022, please refer to paragraph titled details of Related Parties Transactions as restated in the chapter titled ***“Restated Financial Statement”*** beginning on page no. 185 of this Prospectus.
29. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled ***“Our Management”*** beginning on page no. 154 of this Prospectus.
30. Our Company or our directors or the lead manager(s) have not entered into any buy-back arrangements for purchase of the specified securities of the issuer.

## CHAPTER - IV - PARTICULARS OF THE OFFER

### OBJECT OF THE OFFER

The Offer comprises of a Fresh Issue of upto 59,40,000 Equity shares having face value of ₹10/- per Equity share, aggregating upto ₹ 4,158.00 Lakhs by our Company and an Offer for Sale of upto 12,18,000 Equity Shares having face value of ₹10/- per Equity share aggregating upto ₹ 852.60 Lakhs by the Selling Shareholders. Our Company proposes to utilize the Net Proceeds from the Offer i.e. Fresh Issue of Equity Shares less the Issue related expenses, towards the following below mentioned objects.

For details, please see chapter titled “*Summary of Offer Document*” and “*The Offer*” on pages 18 and 47 respectively.

#### THE OFFER FOR SALE

Our Company will not receive any proceeds received from the offer for sale by the selling shareholders. However, except for the listing fees which shall be solely borne by our Company, all offer expenses will be shared, upon successful completion of the offer, between our company and the selling shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Offer and the offered shares sold by the Selling Shareholders in the Offer for Sale.

The details of the Offer for Sale are set out below:

Name of the Selling Shareholder*	Aggregate amount of Offer for Sale (₹ lakhs)	Number of Equity Shares offered in the Offer for Sale	Date of consent letter
Mr. Alok Gupta	426.30	6,09,000 Shares	August 31,2024
Mr. Mohit Airen	426.30	6,09,000 Shares	August 31,2024

\* The Selling Shareholders have confirmed and authorized its participation in the Offer for Sale in relation to the Offered Shares. The Selling Shareholders confirm that the Offered Shares have been held by them for a period of at least one year prior to the date of this Prospectus.

#### FRESH ISSUE

Our Company proposes to utilize the net proceeds from the Fresh Offer towards funding the following objects and achieve the benefits of listing on NSE Emerge platform:

- To meet the capital expenditure requirements;
  - To meet the working capital requirements; and
  - General corporate purposes;
- (Collectively referred to as “*Objects*”)

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the NSE Emerge. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause and the objects incidental and ancillary to 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 in the Offer. The fund requirement and its deployment are based on estimates made by our management and such estimates have not been subjected to appraisal by any bank or financial institution.

#### FRESH OFFER PROCEEDS

The proceeds of the Fresh Issue/Offer, after deducting Issue related expenses, are estimated to be ₹ 3,656.94 Lakhs (the “*Net Issue Proceeds*”).

Particulars	Estimated Amount (₹ in Lakhs)
Gross proceeds of the Fresh Issue	4,158.00
Less: Offer related expenses in relation to the Fresh Issue	501.06
Net Proceeds from the Fresh Issue after deducting the Offer related expenses to be borne by our Company (“ <i>Net Proceeds</i> ”)	3,656.94

## UTILIZATION OF NET ISSUE PROCEEDS

The Net Issue Proceeds are proposed to be utilised and are currently expected to be deployed in accordance with the schedule set forth below:

(₹ in Lakhs)

Particulars	Amount to be funded from Net Proceeds**	Estimated utilisation of Net Proceeds	
		FY 2025	FY 2026
To meet Capital expenditure towards establishing a warehouse at our subsidiaries factory premise & upgradation of existing facilities	1,287.90	965.93	321.97
To meet the working Capital requirements	1,900.00	620.00	1,280.00
General Corporate Purposes*	469.04	-	469.04
<b>Total</b>	<b>3,656.94</b>	<b>1,585.93</b>	<b>2,071.01</b>

\*. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects as described in FY 2025 and FY 2026. In the event that the estimated deployment of the Net Proceeds does not take place in FY 2025 and FY 2026, the same shall be deployed, in part or full, in the next financial year or a subsequent period towards the Objects.

These fund requirements have not been appraised by any bank, financial institution or any other external agency. Our Company may have to revise its funding requirements and deployment on account of a variety of factors, including but not limited to our financial and market condition, business and strategy, competition, interest or exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to applicable law.

If the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Fresh Issue in accordance with Regulation 230(2) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals, general corporate purposes and seeking additional debt from existing and future lender. 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 the Fresh Issue. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in subsequent Financial Years towards the aforementioned Objects

## MEANS OF FINANCE

The funding requirements mentioned above are based on our Company's internal management estimates and the same have not been appraised by any bank, financial institution or any other external agency.

The fund requirements for all objects are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards atleast 75% of the stated means of finance, excluding the amounts to be raised through the proposed Offer.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of the Company's management.

For further details on the risks involved in our business plans and executing our business strategies, please refer section titled "Risk Factors" beginning on Page 25 of this Prospectus.

## DETAILS OF UTILIZATION OF THE NET PROCEEDS

### 1. Funding capital expenditure requirement for Construction of a warehouse, installation of EOT Crane and upgradation of certain equipment.

Our Board in its meeting dated September 26, 2024 took note that an amount of ₹ 1,287.90 Lakhs is proposed to be utilised for Funding of capital expenditure requirements of our company

#### **Rationale for the capex / upgradation**

As part of our business strategy and with a view of expanding our inventory capacity, primarily for finished goods, for Single Super Phosphate (SSP), NPK Granulated & Mixed Fertilizers and Zinc Sulphate, our company proposes to construct a warehouse at our subsidiary's Factory premises at Near Railway Line, 24-25A, AB Road, Industrial Area, Dewas - 455 001, (Madhya Pradesh), which has been rented out to Balaji Phosphates Limited, thereby increasing the storage capacity by 8381.5 MT. In addition to this, our company proposes to install EOT crane and replace the feed hopper assembly line, along with replacement of outdated equipment, bringing in more efficiency in the production process.

The current production capacity and available machinery are expected to become bottlenecks in the coming years. One key reason for this is the cyclical nature of our business, coupled with insufficient storage capacity, which has often forced the company to procure raw materials at higher prices during peak seasons to meet customer demand. Additionally, the manufacturing process for SSP and other fertilizers involves the use of corrosive chemicals, which has caused significant wear and tear on metal-based equipment. This has led to frequent maintenance, reduced operational efficiency, and shorter equipment lifespan. The metal-based machinery is also more susceptible to corrosion, resulting in increased downtime and higher operational costs.

#### **Proposal for the upgradation**

Considering the above, our Company proposes the following upgradation plan to enabling the company to improve performance:

**(a) Building of warehousing** Our company operates in a cyclical business environment where the demand for finished goods peaks during certain seasons. To better manage this, we can capitalize on lower raw material prices during the non-peak season, allowing us to manufacture and stock finished goods in advance for timely supply during high-demand periods. In line with this strategy, we propose to enhance our warehousing capacity from existing 5,000 MT to 13,381.5 MT i.e. increasing capacity by 8,381.5 MT. This increased capacity will enable us to store more finished goods, allowing us to better navigate seasonal fluctuations in both demand and raw material prices. By procuring raw materials at lower costs during the off-season, we anticipate a positive impact on our bottom line, as reduced procurement costs will help improve margins. The company expects, based on estimates provided, the construction to be completed within six months from receipt of IPO proceeds. No government approvals are required for the construction of the warehouse, other than local construction permits from the Municipal Corporation. These permits are typically processed quickly and will be obtained once construction commences.

Furthermore, we plan to construct this warehouse on our subsidiary's factory premises at 24-25A, AB Road, Industrial Area, Dewas - 455 001, (Madhya Pradesh), which we have rented, rather than opting for third-party rental storage. This investment will not only enhance storage capacity but also contribute to better cost management and efficiency in meeting customer demand.

**(a) Installation of EOT Crane** - Our company's current operations rely on earth-moving equipment to shift the base output, i.e., Green SSP, which is time-consuming and reduces the overall efficiency of the production process. During periods of high demand, these inefficiencies are further amplified. To address this and enhance production efficiency, the company proposes to install an EOT crane, which will streamline the movement of materials during the production process. In addition to improving operational efficiency, the installation of the EOT crane will also support our goal of enhancing inventory capacity. By enabling more efficient stacking and storage of products, the EOT crane will allow us to maximize the use of available space, facilitating better inventory management and saving both time and resources. Based on estimates provided, the Company expects the installation to be completed within six months from receipt of IPO proceeds.

**(b) Replacement of certain equipment** - The manufacturing of SSP and other fertilizers involves the use of corrosive chemicals, which leads to significant wear and tear on metal-based equipment. To address this, our company proposes to replace key equipment, such as scrubbers and chimneys, with FRP (Fiber Reinforced Plastic) grade fiber material, which is more resistant to corrosion and ensures greater durability and lower maintenance costs. Additionally, we plan to replace the feed hopper assembly line to further improve efficiency in the production process.

Upgrading the feed hopper assembly line will enhance production efficiency by ensuring a smoother material flow and more precise feeding, while also minimizing spillage. This improvement will reduce downtime, enhance product

consistency, and allow for better integration with automation, ultimately contributing to higher output and lower operational costs. These upgrades are aligned with our broader strategy to optimize our production processes and improve operational efficiency. Based on estimates provided, the Company expects the replacement to be completed within four months from receipt of IPO proceeds.

The capital expenditure towards the above upgradation

Equipment to be purchased	Cost of Equipment (in ₹ Lakhs)	Name of Supplier	Date of Quotation	Quotation Validity
<b>(A) Construction of Warehouse</b>		<b>Patel Consultants</b> Address: 116, Navarang Plaza, Sneh Nagar, Indore, Madhya Pradesh.	13-08-2024	31-05-2025
1. Excavation of B.C soil, yellow soil upto appropriate strata. (including side column and Front, middle and rear column)	1.62			
2. Murrum filling	32.58			
3. P.C.C of footing	44.14			
4. R.C.C for super structure including centring, shuttering, etc.	193.51			
5. Providing and fixing steel doors, window and ventilators	4.13			
6. Providing brick masonry	16.43			
7. Providing plaster in double finished in super str. Co	104.89			
8. Providing and painting white cement paint on walls and oil paint on window, ventilator and doors	3.74			
9. Providing of steel trusses with fabrication and err complete	260.68			
10. Provision of A.C. sheet for the roof of the warehouse including err action complete with insulation	46.55			
11. Rolling Shutters and Mechanical Docking	28.00			
12. Machine Foundation	50.00			
<b>Total</b>	<b>786.26</b>			
<b>SITE DEVELOPMENT</b>				
1. RCC Road	53.43			
2. Industrial Electrification	75.00			
3. Gate	1.00			
4. Compound wall and fencing	45.00			
5. Drainage System	15.00			
6. Electrification in Campus	5.00			
7. Weigh Bridge	20.00			
<b>Site Development Total</b>	<b>214.43</b>			
Engineers fee	2.56			
<b>TOTAL CONSTRUCTION COST</b>	<b>1,003.25</b>			
<b>(B) Installation of EOT Crane</b>				
7.5 ton over head EOT Grab Crane	89.87	A One Enterprise  Address: 438/1, GIDC, Makarpura, Vadodara - 390010	12-9-2024	31-05-2025
Grab Assembly Cap 7.5 T	8.99			
Erection & Commissioning charges	2.12			
<b>TOTAL EOT CRANE COST</b>	<b>100.98</b>			



Equipment to be purchased	Cost of Equipment (in ₹ Lakhs)	Name of Supplier	Date of Quotation	Quotation Validity
<b>(C) Cost of Replacement of Certain Equipments</b>		Ganpati Engineering Works  Address: Opp. Krishna Place, Sarvat, Roorkee Road, Muzaffarnagar (U.P)	19-02-2025	19-07-2025
1. Feed Hopper	0.77			
1.1. Feed Belt for Raw Material	2.00			
1.2 Vibrating Screen Section	3.50			
1.3 Hammer Mill	1.80			
1.4. Hammer Mill Recycle Belt	1.60			
1.5. Feed Belt	2.00			
2. Hopper Raw Material Section:	8.00			
3.1. Common Belt	1.60			
3.2. Common Belt to Granulator Drum Belt	1.40			
4.1 Granulator Drum	10.50			
4.2 Girth Gear	2.00			
4.3 Tyre	2.00			
4.4 Trunnion Wheel	1.00			
5. Granulator to Dryer Conveyor Belt	2.20			
6.1 Rotary Dryer Drum	15.00			
6.2 Girth Gear	2.00			
6.3 Tyre	2.00			
6.4 Trunnion Wheel	1.00			
7. Dryer to cooler conveyor belt	2.60			
8.1 Rotary Cooler Drum	15.00			
8.2 Girth Gear	2.00			
8.3 Tyre	2.00			
8.4 Trunnion Wheel	1.00			
9. Cooler to screen belt	4.40			
10. Vibrating screen section	7.50			
11. Hammer Mill	4.50			
12. Recycle Belt	2.60			
13. Product Belt	3.20			
14. Finish Material Hopper	4.00			
15.1. Furnace	9.00			
15.2. Furnace Blower	1.30			
16. Furnace Dee	1.50			
17. Cyclone (Dust Collector)	6.50			
18. Blower	3.20			
19. Chimney	6.50			
20. Platforms	6.50			
21. MCC Control Panel	9.00			
22 Remote Control Push Buttons unit	2.50			
23. Cable	5.50			
24. Installation Charges	15.00			
25. Transport Charges	8.00			
<b>TOTAL COST OF REPLACEMENT OF CERTAIN EQUIPMENTS</b>	<b>183.67</b>			
<b>Total Amount in Rupees ( ₹ in lakhs)</b>	<b>1,287.90</b>			

\* The above amounts are exclusive of GST

## Confirmations:

In relation to the purchase/upgradation /replacement of machinery/equipment's as set out above, 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 machinery or at the same costs. The quantity of machinery to be purchased will be based on management estimates and our business requirements. Our Company shall have the flexibility to deploy such machinery according to the business requirements of our Company and based on estimates of our management.

No second-hand or used machinery is proposed to be purchased out of the Net Proceeds. Each of the units of machinery mentioned above is proposed to be acquired in a ready-to-use condition, post installation and commissioning requirement. Further, the Promoters, Directors, Key Managerial Personnel and the Group Company do not have any interest in the proposed acquisition of the machinery or in the entity from which we have obtained quotations in relation to such proposed acquisition of the machinery and our Company has confirmed that such entities do not form part of our Promoter Group or Group Company.

## **SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS**

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

The schedule of implementation of the Proposed Project is set forth below:

Capex	Estimated date of Commencement	Estimated date of Completion
<b>Building of Warehousing</b>		
(a) Site Development	March 2025	April 2025
(b) Civil Work	March 2025	August 2025
<b>Installation of EOT Crane</b>		
(a) Date of Order	March 2025	March '25
(b) Civil Work	March 2025	May 2025
(c) Installation	June 2025	August 2025
<b>Replacement of outdated equipment / Feed Hopper</b>		
(a) Purchase of Material	March 2025	March '25
(b) Fabrication	April 2025	May 2025
(c) Installation	May 2025	June 2025

## **2. To meet the working capital requirements.**

Our Company is engaged in the manufacturing of "Single Super Phosphate" (SSP) fertilizer and "Granules Single Super Phosphate" (GSSP) Fertilizer which is manufactured and supplied as per the standards of Fertilizer Control Order of India in powder and granulated form as well as fortified with zinc and boron. Single Super Phosphate and Granules Single Super Phosphate are being a fertilizer in nature used in agriculture industry. Our company operates from its manufacturing facility located at 24A, 23B A.B. Road, Industrial Area, Dewas-455001, Madhya Pradesh which is in the close proximity of supply of both the raw materials (a) Sulphuric Acid (b) Rock Phosphate, specifically BRP (Beneficiated Rock Phosphate), used in manufacturing of our products.

Our business is working capital-intensive, and we fund our working capital requirements in the ordinary course of business from our internal accruals and financing from various banks and financial institutions. Net Working Capital requirement of our Company as on March 31, 2024, on restated audited basis was ₹ 4,430.55 Lakhs as against that of ₹ 3,839.82 Lakhs, and ₹ 2,693.65 Lakhs as on March 31, 2023 and March 31, 2022 respectively. The Net Working capital requirements for the FY 2024-25 is estimated to be ₹ 5,258.86 Lakhs and ₹ 6,579.78 Lakhs for FY 2025-26. The Company will meet the requirement to the extent of ₹ 1,900.00 Lakhs from the Net Proceeds of the Issue and balance from borrowings and internal accruals at an appropriate time as per the requirement.

## **Reasons for raising working capital requirement**

In order to support the incremental business requirements, our Company requires additional working capital for funding its working capital requirements in FY2024-25 and FY2025-26. We expect that our working capital requirement will correspondingly increase in line with increase in our revenue from operations and would be around the current percentage of our net working capital to our revenue from operations i.e. ₹ 4,430.55 lakhs working capital against ₹ 11,818.40 lakhs Revenue from Operation being 37.5% of Revenue from Operation for the period ended March 31, 2024.

Accordingly, while the net working capital has increased in absolute terms corresponding to the increase in the revenue from operations of our Company, the working capital as days such as inventory days, trade receivable days, and trade payable in days are in line with the historical trends.

#### **Basis of estimation of working capital requirement**

Our business is working capital intensive, and we fund the majority of our working capital requirements through internal accruals, net worth, financing from different banks and financial institutions and unsecured loans. We expect a further increase in the working capital requirements in view of current and potential operations that may be awarded. Accordingly, we have proposed using Rs. 1,900 Lakhs out of the issue proceeds to meet the working capital requirements.

(₹ in lakhs)

Particulars	For the Financial year			For the Period Ended August 31, 2024
	FY22	FY23	FY24	
<b>CURRENT ASSETS</b>				
Trade Receivables	2,800.39	2,643.05	2,844.09	4,163.44
<b>Inventories</b>	<b>2,084.43</b>	<b>3,945.62</b>	<b>2,797.88</b>	<b>2,383.20</b>
Raw Materials	548.28	1,425.00	291.90	427.56
Consumables	53.99	89.96	54.46	213.60
Work-in-Progress	208.45	892.41	779.17	1.91
Finished Goods	1,273.71	1,538.25	1,672.35	1,740.12
Other Financial Assets	198.65	211.89	210.93	190.55
Other Current Assets	1,048.46	791.65	232.78	309.80
<b>Total Current Assets (A)</b>	<b>6,131.92</b>	<b>7,592.21</b>	<b>6,085.69</b>	<b>7,046.99</b>
<b>CURRENT LIABILITIES</b>				
Trade Payables	1,663.73	1,771.39	862.94	922.60
Other financial Liabilities	8.30	5.67	16.33	20.07
Other Current Liabilities	1,659.89	1,765.19	393.17	310.27
Provision for Taxation	106.35	210.15	382.70	1.89
<b>Total Current Liabilities (B)</b>	<b>3,438.27</b>	<b>3,752.39</b>	<b>1,655.13</b>	<b>1,254.84</b>
<b>Working Capital Requirement (A-B)</b>	<b>2,693.65</b>	<b>3,839.82</b>	<b>4,430.55</b>	<b>5,792.15</b>
Net Proceeds from IPO				
Short Term Borrowings	1,001.16	1,527.07	1,904.23	1,902.59
Internal Accruals/Net Worth	1,692.49	2,312.75	2,526.32	3,889.56

On the basis of existing and estimated working capital requirement of our Company, and key assumptions for such working capital requirements, which are mentioned below, our Board pursuant to its resolution dated June 22, 2023, has approved the projected working capital requirements for financial years 2025, and the proposed funding of such working capital requirements as set forth in the table below:

(₹ in lakhs)

Particulars	FY25 (Estimated)	FY26 (Projected)
<b>CURRENT ASSETS</b>		
Trade Receivables	3,205.54	3,892.06
<b>Inventories</b>	<b>3,158.59</b>	<b>4,129.85</b>
Raw Materials	356.17	334.80
Consumables	59.90	70.39
Work-in-Progress	783.58	878.85
Finished Goods	1,958.94	2,845.81
Other Financial Assets	210.00	220.00
Other Current Assets	300.00	300.00
<b>Total Current Assets (A)</b>	<b>6,874.13</b>	<b>8,541.91</b>

<b>CURRENT LIABILITIES</b>		
Trade Payables	931.28	1,103.12
Other financial Liabilities	20.00	20.00
Other Current Liabilities	400.00	400.00
Provision for Taxation	264.00	439.00
<b>Total Current Liabilities (B)</b>	<b>1,615.28</b>	<b>1,962.12</b>
<b>Working Capital Requirement (A-B)</b>	<b>5,258.86</b>	<b>6,579.78</b>
Net Proceeds from IPO**	620.00	1,280.00
Short Term Borrowings	1,900.00	1,900.00
Internal Accruals/Net Worth	2,738.86	3,399.78#

\*Pursuant to certificate dated February 20, 2025 issued jointly by our Statutory Auditors Bagaria & Co. LLP, Chartered Accountants and Mishra Rajiv Kamal & Associates, Chartered Accountants,

\*\* Company is expecting utilisation of ₹ 620.00 lakhs in FY 2024-25 and remaining amount i.e. ₹ 1,280.00 lakhs (₹ 1,900.00 Lakhs Working Capital requirement reduced by utilized amount till previous year i.e. ₹ 620.00 lakhs) in FY 2025-26. Moreover, working capital requirement is calculated based on statement of assets and liabilities as on March 31, 2024. Utilisation of working capital disclosed in the table is based on closing balances.

#inclusive of IPO Proceeds used during FY 2025.

#### Assumptions for our estimated working capital requirements (Number of days)

Particulars	Holding Level (in Days)					
	Projected	Estimated	Restated (Audited)			
	March 31, 2026	March 31, 2025	For the Period Ended August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Inventory Days</b>	<b>99</b>	<b>89</b>	<b>81</b>	<b>86</b>	<b>129</b>	<b>85</b>
Raw Material Days	8	10	15	9	46	22
Consumable Days	2	2	7	2	3	2
Work-in-Progress Days	21	22	0	24	29	9
Finished Goods Days	68	55	59	52	50	52
Trade Receivable Days	93	90	142	88	86	114
Trade Payable Days	39	37	46	37	83	92
<b>Working Capital Days</b>	<b>153</b>	<b>142</b>	<b>176</b>	<b>138</b>	<b>132</b>	<b>107</b>

Pursuant to certificates dated February 20, 2025 issued jointly by our Statutory Auditors Bagaria & Co. LLP, Chartered Accountants and Mishra Rajiv Kamal & Associates, Chartered Accountants,

#### Note:

1. Holding period level (days) of Inventories is calculated by dividing Inventories by revenue from operations multiplied by number of days in the year
2. Holding period level (days) of Raw Materials is calculated by dividing Raw Materials by revenue from operations multiplied by number of days in the year
3. Holding period level (days) of Consumables is calculated by dividing Consumables by revenue from operations multiplied by number of days in the year
4. Holding period level (days) of Work-in-Progress is calculated by dividing Work-in-Progress by revenue from operations multiplied by number of days in the year
5. Holding period level (days) of Finished Goods is calculated by dividing Finished Goods by revenue from operations multiplied by number of days in the year
6. Holding period level (days) of Trade Receivables is calculated by dividing trade receivables by revenue from operations multiplied by number of days in the year
7. Holding period level (days) of Trade Payables is calculated by dividing trade payables by Cost of goods sold multiplied by number of days in the year
8. Working Capital Days is calculated by adding Inventory days and receivable days before subtracting payable days

## Justifications

Inventories	<p>Inventories comprises of Raw Materials, WIP and Finished Goods. Inventory days have been computed from historic restated financial information based on revenue from operations. We maintain our Inventory levels depending on the demand for the products and the time taken to deliver the same. We have gradually managed to bring inventory days down to pre-COVID levels, reaching 86 days in FY24. This reflects our continued efforts to optimize inventory management and improve operational efficiency.</p> <p>We assume similar levels in FY25. The increase in inventory days in FY26 is primarily attributed to the construction of a new warehouse, which will expand inventory capacity by 8,381.5 MT. This warehouse, expected to be completed within six months from the receipt of IPO proceeds, will allow the company to store more finished goods. This positions the company to store more finished goods and capitalize on higher demand and prices during the peak season starting from May, thereby optimizing inventory management, improving sales efficiency and enhance overall profitability.</p> <p>As a result, inventory days are projected to rise from 89 days in FY25 to 99 days in FY26, particularly due to increase in Finished Goods Days, reflecting increased capacity utilization and the ability to meet higher seasonal demand.</p>
Trade receivables days	<p>Receivable days have been calculated based on the company's historic restated financial data and have typically ranged between 86 and 114 days. We expect to maintain receivable days within this range, projecting 90 days for FY25. We expect a slight increase in trade receivable days to 93 days in FY26, as the enhanced availability of finished goods inventory during the peak season, coupled with offering favorable terms to debtors, is expected to drive an increase in sales.</p>
Trade payables days	<p>Trade payable levels have been calculated based on historic restated financial data and have steadily declined since FY22, dropping from 92 days to 37 days in FY24, returning to pre-COVID levels. We expect to maintain this trend in the coming years, leveraging incremental financing to secure better rates for our purchases. Consequently, creditor days are projected to remain stable, with 37 days in FY25 and a slight increase to 39 days in FY26.</p>

## 3.General corporate purposes

Our Company proposes to deploy the balance gross proceeds, aggregating to ₹ 469.04 lakhs, towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the gross proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise net proceeds include, business development initiatives, meeting any expense including salaries, rent, administration costs, insurance premiums, repairs and maintenance, payment of taxes and duties, and similar other expenses incurred in the ordinary course of our business or towards any exigencies, including any escalation in costs in respect of the capital expenditure envisaged above. 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, subject to compliance with applicable law.

### OFFER EXPENSE

The total expenses of the Offer are estimated to be approximately ₹ 501.06 Lakhs. The expenses of this Offer include, among others, listing fees, selling commission and brokerage, fees payable to the BRLMs, fees payable to legal counsel, fees payable to the Registrar to the Offer, Escrow Collection Bank(s) and Sponsor Bank to the Offer, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Except for (i) listing fees and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue which shall be borne solely by the Company; and (ii) the stamp duty payable on transfer of Offered Shares which shall be borne by Mr. Alok Gupta and Mr. Mohit Airen, as a selling shareholders, all Offer expenses will be shared, between our Company, Mr. Alok Gupta and Mr. Mohit Airen, as selling shareholders, on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Offered Shares sold by the Selling Shareholders in the Offer for Sale, respectively, as mutually agreed and in accordance with applicable law. The expenses to be borne by Mr. Alok Gupta and Mr. Mohit Airen, as a selling shareholder, for the Selling Shareholders' Offer Expenses shall be deducted from the amount received by Mr. Alok Gupta and Mr. Mohit Airen from the Offer for Sale in the first instance, and only the balance amount will be transferred to the Selling Shareholders, upon listing of the Equity Shares.

The expenses of this Offer include, among others, underwriting and Offer management fees, Intermediaries fees, printing and stationery expenses, advertisement expenses and legal fees etc. The details of Offer expenses are tabulated below:

(₹ in Lakhs)

Activity	Estimated Expenses (₹ in Lakhs)**	As a % of total estimated Offer related expenses	As a % of the total Offer size
Book Running Lead Manager Fees	45.00	8.98	0.90
Registrar to the Offer	0.55	0.11	0.01
Legal Advisors	0.75	0.15	0.01
Advisor to the Offer	-	-	-
Advertising and marketing Expenses	5.00	1.00	0.10
Regulators including Stock Exchange	3.50	0.70	0.07
Printing and Distribution of issue stationery	1.15	0.23	0.02
Others fees payable to Marketing & Distribution expenses, Selling Commission, Brokerage, Underwriter, Market Maker, Processing fees, etc and other miscellaneous expenses	445.11	88.83	8.88
<b>Total estimated Offer related expenses</b>	<b>501.06</b>	<b>100.00</b>	<b>10.00</b>

**Notes:**

1. As on date of this Prospectus, the Company has not deployed any fund towards the objects of the Offer.

\*\*Offer expenses include goods and services tax, where applicable.

**Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs:**

- 1) SCSBs will be entitled to a processing fee of ₹10/- per Application Form for processing of the Application Forms only for the Successful Allotments procured by other Application Collecting Intermediary and submitted to them.
- 2) Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Investors and Non-Institutional Investors, would be 0.01% on the Allotment Amount.
- 3) No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.
- 4) The commission and processing fees shall be released only after the SCSBs provide a written confirmation to the BRLM not later than 30 days from the finalization of Basis of Allotment by Registrar to the Issue in compliance with SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.
- 5) Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

**INTERIM USE OF NET PROCEEDS**

Our Company, in accordance with the policies established by the Board, from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds in deposits with one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934, for the necessary duration. Such investments will be approved by our Board from time to time. Our Company confirms that it shall not use the Net Proceeds for any buying, trading, or otherwise dealing in the shares of any other listed Company or for any investment in the equity markets or providing inter-corporate deposits to any related parties.

Additionally, in compliance with SEBI ICDR Regulations, our Company confirms that it shall not use the Net Proceeds for financing or for providing loans to or for acquiring shares of any person who is part of the Promoter Group or Group Companies.

**BRIDGE FINANCING FACILITIES**

Our Company has not raised any bridge loans or entered into any other similar financial arrangements from / with any bank or financial institution as on the date of this Prospectus, which are proposed to be repaid from the Net Proceeds.

**APPRAISAL REPORT**

None of the Objects for which the Net Proceeds will be utilised, require appraisal from any agency in terms of applicable law.

**APPRAISAL BY APPRAISING AGENCY**

None of the Objects has been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Offer are currently based on available quotations and management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including but not limited to variations in interest rate structures, changes in our financial condition

and current commercial conditions of our Business and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy

## **MONITORING UTILIZATION OF FUNDS**

As the present IPO is less than ₹10,000 lakhs, we are not required to appoint a monitoring agency for the purpose of the Issue in terms of the SEBI ICDR Regulations.

Our Board and Audit committee shall monitor the utilization of the net proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant financial years subsequent to the completion of the Issue.

Pursuant to SEBI LODR Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilized for purposes other than those stated in this Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32 of the SEBI LODR Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the Objects. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

## **VARIATION IN OBJECTS**

Our Company shall not vary the objects of the Offer, as envisaged under Sections 13(8) and 27 of the Companies Act and applicable rules, without our Company being authorised to do so by the Shareholders by way of a special resolution and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act.

## **OTHER CONFIRMATION**

No part of the Net Proceeds will be utilised by our Company as consideration to our Promoters, members of the Promoter Group, Directors, or Key Management Personnel. Our Company has not entered into nor is planning to enter into any arrangement / agreements with Promoters, members of the Promoter Group, Directors or Key Management Personnel in relation to the utilisation of the Net Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects, as set out above.

The issuer is in compliance with the Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of this Prospectus.

There are no other agreements / arrangements and clauses / covenants which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the offer document

There are no findings/observations of any of the inspections by SEBI or any other regulator which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the offer document.

No material clause of Article of Association have been left out from disclosure having bearing on the IPO/disclosure.

There are no conflicts of interest between the suppliers of raw materials, third-party service providers crucial to the operations of the company, and the company itself, its Promoter, Promoter Group, Key Managerial Personnel, Directors, and its subsidiaries or Group Companies and their respective Directors.

The company intends to build a warehouse which is essential for the company's operations on the premises of its subsidiary, Jyoti Weighing Systems Private Limited. However, there is no conflict of interest between the lessor of the immovable property, and the company, its promoters, promoter group, key managerial personnel, directors, subsidiaries, group companies, and their Directors.

## BASIS FOR OFFER PRICE

The issue price has been determined by the issuer in consultation with the Book Running Lead Manager. The financial data presented in this section are based on our Company's Restated Financial Statements. Investors should also refer to the sections/chapters titled "Risk Factors" and "Restated Financial Information" on page no. 25 and 185, respectively of this Prospectus to get a more informed view before making the investment decision.

### QUALITATIVE FACTORS

Some of the qualitative factors which form the basis for computing the Issue Price are set forth below:

- Cost Effective sourcing and Strategic Location of Manufacturing Unit
- Cordial relations with customers.
- Sustainable business model
- Leveraging the expertise of our Promoters and Management Team
- Quality assurance

For details of qualitative factors, please refer to the paragraph "Our Competitive Strengths" in the chapter titled "Our Business" beginning on page no 117 of this Prospectus

### QUANTITATIVE FACTORS

#### 1. Basic & Diluted Earnings per share (EPS), as restated:

Sr. No.	Period	Basic & Diluted (Rs)	Weights
1.	FY 2021-22	1.79	1
2.	FY 2022-23	3.42	2
3.	FY 2023-24	3.39	3
	<b>Weighted Average</b>	<b>3.13</b>	
4.	For the period ended August 31, 2024*	2.32	

\*Not Annualized

Notes:

- i. The figures disclosed above are based on the restated consolidated financial statements of the Company.
- ii. The face value of each Equity Share is ₹10/-.
- iii. Earnings per Share has been calculated in accordance with IND AS-33- "Earnings per Share" notified by the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Consolidated Financial Statements as appearing in Annexure IV.

#### 2. Price Earning (P/E) Ratio in relation to the Issue Price of ₹ 70/- per share:

Sr. No	Particulars	P/E at the Floor Price(₹66/-) (No. of times)	P/E at the Cap Price(₹70/-) (No. of times)
1	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-24	<b>19.47</b>	<b>20.65</b>
2	P/E ratio based on the Weighted Average EPS for last three FY.	<b>21.09</b>	<b>22.36</b>

$$\text{Price to Earnings Ratio(P/E)} = \frac{\text{Floor Price/ Cap Price}}{\text{Restated Earnings Per Share}}$$

#### 3. Industry P/E Ratio



Particulars	P/E Ratio
Highest	77.62
Lowest	30.60
Average	54.11

\*Note: The industry high and low has been considered from the industry peer set provided later in this section. The industry composite has been calculated as the arithmetic average P/E Ratio of the industry peer set disclosed in this Section. For further details, see “Comparison of Accounting Ratios with Industry peers” below

#### 4. Return on Net worth (RoNW)

Sr. No	Period	RONW (%)	Weights
1.	FY 2021-22	13.96	1
2.	FY 2022-23	21.02	2
3.	FY 2023-24	17.26	3
	<b>Weighted Average</b>	<b>17.96</b>	
	For the period ended August 31, 2024	<b>10.59</b>	

RoNW (%) = Net profit after tax/ Net worth at the end of the year.

Net worth = Net Worth amounts are calculated as Total Equity as per Restated Consolidated Financial Statements.

Net Profit after tax = Calculated before accounting for Non-controlling Interest

#### 5. Net Asset Value (NAV) per Equity Share:

Sr. No.	Particulars	NAV
1	As on August 31, 2024	21.95
2	As on March 31, 2024	19.62
3	NAV after Issue	33.95
4	Issue Price	₹ 70/-

NAV = Total Shareholder Equity/ Total number of equity shares at the end of the year~

Where, Total Shareholder equity = Equity share capital + Other Equity (including Securities Premium and Surplus/ (Deficit) and other comprehensive income excluding share application money).

#### 6. Comparison of Accounting Ratios with Industry Peer

Name of the company	Face Value (₹ per share)	Total Income for period ended March 31, 2024 (₹ in Lakhs)	EPS for Year ended March 31, 2024		P/E (Based on Diluted EPS)	RONW (%)
			Basic	Diluted		
Balaji Phosphate Ltd	10	15,168.02	3.39	3.39	20.64	17.26
<b>Peer Companies</b>						
Coromandel International Ltd	1	22,28,975.00	55.81	55.75	30.60	18.9
Paradeep Phosphate Ltd	10	11,64,395.49	1.22	1.22	77.62	3.28
Rama Phosphate Ltd	10	60,417.73	-17.56	-17.56	-	-9.39

**Source:** The Company's Financial Figures are based on restated consolidated financial statements for the period ended on March 31, 2024, unless provided otherwise. With respect to Industry peers, all the financial information mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and sourced from screener.in of the respective companies for the year ended March 31, 2024, unless provided otherwise.

#### Note:

- Considering the nature, range of products/services, turnover and size of business of our Company, the peers are not strictly comparable. However, above companies have been included for broad comparison - P/E Ratio has been computed based on the closing market price of equity shares on NSE / BSE as on February 18, 2025, divided by the Diluted EPS.

- Return on Net Worth=Profit after tax for the year divided by total equity as at year end date.
- Our Company's IPO is a Book Built Issue and price band for the same shall be published 2 working days before opening of the Issue in English and Hindi national newspapers and one regional newspaper with wide circulation.
- The price band/floor price/Issue Price shall be determined by the company in consultation with the BRLM on the basis of assessment of market demand from investors for the equity shares by way of Book Building and is justified based on the above qualitative and quantitative parameters

## 7. KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS ("KPIs")

Key Performance Indicators (KPIs) are imperative to the Financial and Operational performance evaluation of the company. However, KPIs disclosed below shall not be considered in isolation or as substitute to the Restated Financial information. In the opinion of our Management the KPIs disclosed below shall be supplementary tool to the investor for evaluation of the company

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 26,2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Prospectus. Further, the KPIs herein have been certified vide *certificates dated February 20, 2025 issued by our Statutory Auditors M/s. Mishra Rajiv Kamal & Associates and M/s. Bagaria & Co LLP, Mumbai Chartered Accountants*

The KPIs of our Company have been disclosed in the sections "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" starting on pages 117 and 270 respectively. We have described and defined the KPIs, as applicable, in "Definitions and Abbreviations" beginning on page 1.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI (ICDR) Regulations, 2018.

## KEY PERFORMANCE INDICATORS OF OUR COMPANY

(₹ In Lakhs except percentages and ratios)

KPI	For the period ended August 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations (1)	5,337.06	15,154.63	14,454.24	12,365.34
Growth in Revenue from Operations (%)	-	4.8%	16.9%	23.6%
Gross Profit (2)	1,816.85	4,296.71	4,336.63	3,205.67
Gross Profit Margin (%) (3)	34.0%	28.4%	30.0%	25.9%
EBITDA (4)	572.55	1,209.70	1,167.20	792.35
EBITDA Margin (%) (5)	10.73%	8.0%	8.1%	6.4%
PAT (6)	414.65	604.05	608.76	319.08
Growth in Profit After Tax (%)	-	-0.8%	90.8%	43.0%
PAT Margin (%) (7)	7.8%	4.0%	4.2%	2.6%
Trade Receivables Turnover Ratio (In times) (8)	1.40	4.96	4.75	4.21
Return on net worth (9)	10.59%	17.26%	21.02%	13.96%
Trade Payables Turnover Ratio (In times) (10)	2.95	6.66	6.29	4.30
Trade Receivables days (11)	260	74	77	87
Inventory days (12)	205	89	83	67
Trade Payable days (13)	124	55	58	85
Net worth (14)	3,914.98	3,500.32	2,896.51	2,286.35
Return on equity (%) (15)	11.18%	18.89%	23.5%	15.0%
Return on capital employed (%) (16)	9.15%	16.7%	19.8%	17.3%
Debt-Equity Ratio (times) (17)	0.91	0.95	0.91	0.87
Interest Coverage Ratio (18)	4.83	3.77	4.12	2.60
Working Capital Cycle (days) (19)	341	107	102	69
Current Ratio (times) (20)	1.68	1.65	1.43	1.38

*Pursuant to certificate dated February 20, 2025 issued jointly by our Statutory Auditors Bagaria & Co. LLP, Chartered Accountants, and Mishra Rajiv Kamal & Associates, Chartered Accountants.*

*Notes:*

- (1) Revenue from operation means revenue from sale of the products
- (2) Gross Profit is calculated as Revenue from operations - Cost of Material Consumed - Purchases of Traded Goods - Changes in inventories of finished goods, work in process and stock in trade
- (3) Gross Profit Margin is calculated as Gross profit divided by the Revenue from Operations
- (4) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs-Other Income
- (5) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
- (6) PAT Means Profit for the year as appearing in the Restated Consolidated Financial Statements.
- (7) PAT Margin is calculated as PAT for the period/year divided by revenue from operations
- (8) Trade receivable turnover is calculated Revenue from operation divided by average trade receivables
- (9) Return on net worth is the profit after tax divided by closing equity
- (10) Trade Payable turnover ratio is calculated Net credit Purchase divided by average trade payable
- (11) Trade receivable days is calculated as 365 divided by trade receivables turnover by for fiscal years
- (12) Inventory days is calculated as 365 \* Average inventory/ Cost of goods sold.
- (13) Trade payable days is calculated as 365 divided by Trade Payable turnover by for fiscal years
- (14) Net Worth amounts are calculated as Total Equity as per Restated Consolidated Financial Statements.
- (15) Return on Equity is calculated by Profit for the year less Preference dividend (if any) divided by average total equity
- (16) Return on Capital Employed is calculated as follows: Profit before tax plus finance cost divided by (Net Worth plus Lease liabilities plus Deferred Tax Liabilities)
- (17) Debt to Equity ratio is calculated as Total Debt divided by equity
- (18) Interest Coverage Ratio is given by the formula Earnings before Tax + Interest divided by Interest cost
- (19) Working Capital Cycle is defined as trade receivable days plus inventory days less trade payable days
- (20) Current Ratio is calculated by dividing Current assets to Current Liabilities

**Explanation for KPI metrics**

Key Financial Performance	Explanations
Revenue from Operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps to assess the overall financial performance of the Company and volume of the business.
Gross Profit	Gross Profit is a key metric used by management to evaluate core profitability by indicating the difference between revenue and the cost of goods sold. It helps assess the company's financial health and operational efficiency
Gross Profit Margin	Gross Profit Margin is a crucial metric used by management to assess the profitability of core operations. It indicates the percentage of revenue that exceeds the cost of goods sold, helping to evaluate pricing strategies and operational efficiency
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of the business
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of the Business
Profit after tax growth	Profit after tax growth provides information regarding the growth of the operational performance for the respective period
Trade Receivables Turnover Ratio	Trade receivables measure how frequently a company converts its accounts receivable into cash over a given period
Inventory Turnover Ratio	Inventory turnover ratio is the number of times a company has sold and replenished its inventory over a specific amount of time
Trade Payables Turnover Ratio	Trade Payable turnover measure the number of times the business is paying off its creditors or suppliers in an accounting period
Trade Receivables days	Trade Receivables days is the average number of days required for a company to receive payments from its customers
Inventory days	Inventory days is the average number of days required for a company to convert its inventory into Sales
Trade Payable days	Trade Payable days is the average number of days required for a company to pay its suppliers
Net Worth	Net Worth is a vital metric used by management to evaluate the company's financial strength. It represents the total value of assets minus liabilities, providing insight into the overall financial health and stability of the business.

Key Financial Performance	Explanations
Return on Equity	Return on equity provides how efficiently the Company generates profits from shareholders' funds
Return on Capital Employed	Return on capital employed provides how efficiently the Company generates earnings from the capital employed in the business
Debt-Equity Ratio	Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers
Interest Coverage ratio	Interest Coverage Ratio is an essential metric used by management to assess the company's ability to meet its interest obligations. It indicates how easily the company can pay interest on its outstanding debt from its operating earnings, helping evaluate financial stability and risk.
Working Capital Cycle	Working Capital Cycle is the time it takes to convert net current assets and current liabilities into Cash
Current Ratio	The current ratio is a liquidity ratio that measures the company's ability to pay short-term obligations or those due within one year

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**Key Performance Indicators Comparison with Competitors:**

(₹ in Lakhs)

KPI	Coromandel International Ltd			Paradeep Phosphates Ltd			Rama Phosphates Ltd		
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations (1)	2,205,839	2,962,790	1,911,085	1157511.98	1334072.19	785871.92	60316.82	87482.64	87831.31
Growth in Revenue from Operations (%)	-25.55%	55.03%	34.75%	-13.23%	69.76%	52.16%	-31.05%	-0.40%	51.31%
Gross Profit (2)	580741	632651	503858	257,667.66	272,764.09	157,745.62	12142.76	23381.64	30604.17
Gross Profit Margin (%) (3)	25.28%	20.78%	25.61%	22.26%	20.45%	20.07%	20.13%	26.73%	66.32%
EBITDA (4)	239,875	292,616	214,986	71686.45	89206.02	71037.97	-1942.41	7283.18	11011.48
EBITDA Margin (%) (5)	10.87%	9.88%	11.25%	6.19%	6.69%	9.04%	-3.22%	8.33%	12.54%
PAT (6)	164,064	201,293	152,846	9,990.92	30,419.00	39,845.32	-3106.71	4093.44	7003.71
Growth in Profit After Tax (%)	-18.97%	31.76%	14.77%	-67.16%	-23.66%	78.46%	-175.89%	-41.55%	66.32%
PAT Margin (%) (7)	7.44%	6.79%	8.00%	0.86%	2.26%	5.04%	-5.15%	4.68%	7.97%
Trade Receivables Turnover Ratio (In times) (8)	22.25	69.37	46.65	3.54	5.68	7.35	99.95	61.63	38.26
Inventory Turnover Ratio (In times) (9)	4.89	7.33	6.10	5.68	5.90	4.92	118.64	73.79	61.09
Trade Payables Turnover Ratio (In times) (10)	3.1	5.2	4.2	5.1	5.2	4.8	59.9	38.8	41.8
Trade Receivables days (11)	16.40	5.26	7.82	103.11	64.26	49.66	3.65	5.92	9.54
Inventory days (12)	74.70	49.77	59.82	64.26	61.86	74.19	3.08	4.95	5.97
Trade Payable days (13)	116.31	69.53	87.04	72.13	70.74	76.52	6.09	9.41	8.73
Net worth (14)	944683.00	790779.00	635827.00	356440.01	350470.23	2,22,500	35281.85	30900.49	26964.37
Return on equity (%) (15)	18.94%	28.22%	26.56%	2.81%	10.60%	19.63%	-9.39%	14.15%	29.56%
Return on capital employed (%) (16)	23.96%	34.87%	31.11%	6.57%	8.70%	11.76%	-5.60%	14.90%	31.40%
Debt-Equity Ratio (times) (17)	0.05	0.05	0.06	1.12	1.32	1.33	0.41	0.36	0.16
Interest Coverage Ratio (18)	12.87	15.34	28.11	1.38	2.46	7.25	-2.22	7.80	18.53
Working Capital Cycle (days) (19)	-25.21	-14.50	-19.40	95.23	55.39	47.33	0.64	1.46	5.72
Current Ratio (times) (20)	2.07	1.75	1.87	1.10	1.10	1.02	1.65	1.97	2.02

**WEIGHTED AVERAGE COST OF ACQUISITION, FLOOR PRICE AND CAP PRICE****i. Price per share of our Company based on the primary/ new issue of shares (equity / convertible securities)**

There has been no issuance of Equity Shares or convertible securities excluding shares issued under ESOP/ESOS and issuance of bonus shares during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Issue capital before such transaction(s) and excluding employee stock options granted but not vested, as applicable), in a single transaction or multiple transactions combined together over a span of 30 days.

**ii. Price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities)**

There have been no secondary sale/ acquisitions of Equity Shares or any convertible securities, where the Promoter, members of the Promoter Group are a party to the transaction, during the 18 months preceding the date of this Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Issue capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

*For the purpose of disclosure under part (a) and (b) above, 'primary transaction' refers to a primary issue of Equity Shares or securities convertible into Equity Shares, excluding shares issued under a bonus issuance and sub-division of shares and secondary transactions' refer to any secondary sale or acquisition of Equity Securities (excluding gifts)*

**Note:1 Primary and secondary transactions in the last three years preceding the date of this Prospectus**

The Weighted average cost of acquisition of Equity shares of basis the last five primary and secondary transactions (secondary transactions where promoters, promoter group, selling shareholders or shareholder(s) having the right to nominate director(s) on the Board of Balaji Phosphates Limited, are a party to the transaction), not older than three years irrespective of the size of transactions:

<b>Sr. No.</b>	<b>Transaction</b>	<b>Date of Transaction</b>	<b>Number of shares</b>	<b>Price per share</b>	<b>Value of shares</b>
1	Bonus issue to promoter and promoter group entity	March 02, 2023	29,72,850	NA	Nil
2	Transfer of shares by Meenakshi Gupta to Somchand Gupta- via gift deed dated April 8, 2023	April 08, 2023	100	NA	Nil
3	Bonus issue to promoter and promoter group entity	August 28, 2023	89,18,550	NA	Nil
<b>Total</b>			<b>1,18,91,400</b>		Nil

8. **Weighted average cost of acquisition, Floor price and Cap Price**

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor price* (i.e. ₹ 66/-)	Cap price* (i.e. ₹ 70/-)
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of the Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	NA	NA	NA
Weighted average cost of acquisition for last 18 months for secondary sale/ acquisition of shares equity/convertible securities), where promoter/ promoter group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) in the Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of the Prospectus, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	NA	NA	NA
Since there were no primary or secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of the Prospectus, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions where Promoter /Promoter Group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Prospectus irrespective of the size of the transaction			
(a) Based on primary issuances	NA	NA	NA
(b) Based on secondary transactions	NA	NA	NA
(c) Based on last five transactions mentioned above	NA	NA	NA
<b>Weighted average cost of acquisition (Total value of shares/Total number of shares)</b>	NA	NA	NA

(For the above details relating to the weighted average cost of acquisition, we have relied upon the certificate dated February 20, 2025, jointly issued by the Statutory Auditors of the Company i.e., M/s. Bagaria & Co., LLP, Chartered Accountants and Mishra Rajiv Kamal & Associates, Chartered Accountants)

#### **JUSTIFICATION FOR BASIS OF OFFER PRICE: -**

1. Explanation for Offer Price / Cap Price being X times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares along with our Company's key performance indicators and financial ratios for the FY24, FY23 and FY22.

Not applicable, as the WACA for transactions in the above-mentioned period is NA

2. Explanation for Offer Price / Cap Price being X times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares in view of the external factors which may have influenced the pricing of the Issue.

Not applicable, as the WACA for transactions in the above-mentioned period is NA

The Offer Price will be 7 times of the face value of the Equity Shares.

The price band of ₹ 70/- has been determined by our Company, in consultation with the LMs, on the basis of the market demand from investors for the Equity Shares through the Book Building Process. Our Company, in consultation with the LMs, is justified of the Issue Price in view of the above qualitative and quantitative parameters. Bidders should read the abovementioned information along with the sections/chapter entitled "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and "Financial Information" on pages 25, 117, 270 and 185, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the section entitled "Risk Factors" page 25 or any other factors that may arise in the future and you may lose all or part of your investments.

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## STATEMENT OF POSSIBLE TAX BENEFITS

To,

**The Board of Directors  
Balaji Phosphates Limited  
305 Utsav Avenue,  
12/5 Usha Ganj Jaora Compound,  
Indore G.P.O., Indore, Madhya Pradesh, India, 452001**

Sub: Statement of possible special tax benefits available to (Balaji Phosphates Limited) (“the Company”) and the shareholders of the Company prepared to comply with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”)

We, Bagaria & Co. LLP, (“BNC”) and Mishra Rajesh Kamal & Associates (“MRK”), (BNC and MRK are collectively referred to “Joint Auditors” and the references to the Joint Auditors as “we”, “us” or “our”, in this certificate, shall be construed accordingly), hereby confirm that the enclosed Annexure A, prepared by the Company and initialed by us and the Company for identification purpose (“**Statement**”) for the proposed initial public offering of equity shares of the Company (“**Offer**”), provides the possible special tax benefits available to the Company and to its shareholders under the Income Tax Act, 1961 (read with the rules, circulars and notifications issued in connection thereto), as amended by the Finance Act, 2024, i.e. applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26, presently in force in India and under indirect taxation laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company and/or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives that the Company faces in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and its shareholders. The benefits discussed in the enclosed Statement are not exhaustive. The 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 changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

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

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

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

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We have conducted our examination in accordance with the ‘Guidance Note on Reports or Certificates for Special Purposes’ issued by the Institute of Chartered Accountants of India (“**ICAI**”) which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the ICAI.

**For Bagaria & Co LLP**  
**Chartered Accountants**  
FRN: 113447W / W-100019

**For Mishra Rajiv Kamal & Associates**  
**Chartered Accountants**  
FRN.: 006752C

**Vinay Somani**  
**Partner**  
Membership No.: 143503  
UDIN: 25143503BMIBLG9660  
Place: Mumbai  
Date: February 20, 2025

**Akshaya Kumar Sambharia**  
**Partner**  
Membership No.: 071628  
UDIN: 25071628BMMKIV4850  
Place: Indore  
Date: February 20, 2025

**ANNEXURE A TO STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE TAX LAWS IN INDIA**

Under the Income Tax act, 1961 as amended by the Finance Act 2024 read with the Income Tax Rules, 1962, i.e. applicable for the Financial Year 2024-25 and relevant to the Assessment Year 2025-26 (hereinafter referred to as "IT Act")

**1. Special tax benefits available to the Company under the IT Act:**

There are no special tax benefits available to the Company under Income Tax Act.

**2. Special Tax Benefits to the Shareholders under the IT Act:**

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

**Notes:**

- a. The above Annexure of special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences.
- b. The above Annexure of special tax benefits is as per the current direct tax laws relevant for the Financial Year 2024 - 25 relevant to the Assessment Year 2025 - 26. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Direct tax and Indirect Tax Laws.
- c. The above Annexure covers only the special direct tax benefits under the relevant Acts, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Annexure also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
- d. Benefit of lower rate of tax under Section 115BAA of the IT Act and corresponding exemption from applicability of Minimum Alternate tax ('MAT') provisions under section 115JB of the Act. As per the Taxation Law (Amendment) Act, 2019, no.46 of 2019, a new section 115BAA has been introduced in the IT Act which provides for an option to domestic companies to opt for reduced rate of corporate taxes subject to certain conditions specified therein. The said section provides that, with effect from financial year 2019-20, all domestic companies shall have an option to pay income tax at the rate of 22% (plus 10% surcharge and 4% cess), subject to the condition that they will not avail specified tax exemptions or incentives and other conditions as specified in sub-clause 2 of section 115BAA of the Act. Proviso to section 115BAA(4) provides that once the Company opts for paying tax as per section 115BAA of the Act, such option cannot be subsequently withdrawn for the same or any other previous year.

Lower corporate tax rate under Section 115BAA of the Act is in general available and hence may not be treated as a special tax benefit.

The Company has opted for concessional tax rate under section 115BAA for the Assessment Year 2023-24.

- e. The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Act. The depreciation rates in respect of motor cars, plant and machinery and office equipment is 15%, furniture & fittings and electrical equipment is 10%, intangible assets is 25% (does not include goodwill of business or profession), computers 40%, buildings (residential) is 5% and buildings (others) is 10%. Allowance for depreciation is in general available and hence may not be treated as a special tax benefit.

- f. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
- g. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- h. 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 in provisions of law and its interpretations.

## CHAPTER V – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness, and underlying assumptions are not guaranteed, and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information.*

*Industry sources and publications are also prepared based on information as on specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts, and assumptions that may prove to be incorrect and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 25 and 185 of Prospectus.*

### MODERATING INFLATION AND STEADY GROWTH OPEN PATH TO SOFT LANDING

- Global growth is projected at 3.1 percent in 2024 and 3.2 percent in 2025, with the 2024 forecast 0.2 percentage point higher than that in the October 2023 World Economic Outlook (WEO) on account of greater-than expected resilience in the United States and several large emerging market and developing economies, as well as fiscal support in China. The forecast for 2024–25 is, however, below the historical (2000–19) average of 3.8 percent, with elevated central bank policy rates to fight inflation, a withdrawal of fiscal support amid high debt weighing on economic activity, and low underlying productivity growth. Inflation is falling faster than expected in most regions, in the midst of unwinding supply-side issues and restrictive monetary policy. Global headline inflation is expected to fall to 5.8 percent in 2024 and to 4.4 percent in 2025, with the 2025 forecast revised down.
- With disinflation and steady growth, the likelihood of a hard landing has receded, and risks to global growth are broadly balanced. On the upside, faster disinflation could lead to further easing of financial conditions. Looser fiscal policy than necessary and than assumed in the projections could imply temporarily higher growth, but at the risk of a more costly adjustment later on. Stronger structural reform momentum could bolster productivity with positive cross-border spillovers. On the downside, new commodity price spikes from geopolitical shocks—including continued attacks in the Red Sea—and supply disruptions or more persistent underlying inflation could prolong tight monetary conditions. Deepening property sector woes in China or, elsewhere, a disruptive turn to tax hikes and spending cuts could also cause growth disappointments.
- Policymakers’ near-term challenge is to successfully manage the final descent of inflation to target, calibrating monetary policy in response to underlying inflation dynamics and—where wage and price pressures are clearly dissipating—adjusting to a less restrictive stance. At the same time, in many cases, with inflation declining and economies better able to absorb effects of fiscal tightening, a renewed focus on fiscal consolidation to rebuild budgetary capacity to deal with future shocks, raise revenue for new spending priorities, and curb the rise of public debt is needed. Targeted and carefully sequenced structural reforms would reinforce productivity growth and debt sustainability and accelerate convergence toward higher income levels. More efficient multilateral coordination is needed for, among other things, debt resolution, to avoid debt distress and create space for necessary investments, as well as to mitigate the effects of climate change.

### FORCES SHAPING THE OUTLOOK

The global economic recovery from the COVID-19 pandemic, Russia’s invasion of Ukraine, and the cost-of-living crisis is proving surprisingly resilient. Inflation is falling faster than expected from its 2022 peak, with a smaller-than-expected toll on employment and activity, reflecting favorable supply side developments and tightening by central banks, which has kept inflation expectations anchored. At the same time, high interest rates aimed at fighting inflation and a withdrawal of fiscal support amid high debt are expected to weigh on growth in 2024.

**Growth resilient in major economies.** Economic growth is estimated to have been stronger than expected in the second half of 2023 in the United States, and several major emerging market and developing economies. In several cases, government and private spending contributed to the upswing, with real disposable income gains supporting consumption amid still-tight—though easing—labor markets and households drawing down on their accumulated pandemic-era

savings. A supply-side expansion also took hold, with a broad-based increase in labor force participation, resolution of pandemic-era supply chain problems, and declining delivery times. The rising momentum was not felt everywhere, with notably subdued growth in the euro area, reflecting weak consumer sentiment, the lingering effects of high energy prices, and weakness in interest-rate-sensitive manufacturing and business investment. Low-income economies continue to experience large output losses compared with their prepandemic (2017–19) paths amid elevated borrowing costs.

Inflation subsiding faster than expected. Amid favorable global supply developments, inflation has been falling faster than expected, with recent monthly readings near the prepandemic average for both headline and underlying (core) inflation. Global headline inflation in the fourth quarter of 2023 is estimated to have been about 0.3 percentage point lower than predicted in the October 2023 WEO on a quarter over-quarter seasonally adjusted basis. Diminished inflation reflects the fading of relative price shocks notably those to energy prices and their associated pass-through to core inflation.<sup>1</sup> The decline also reflects an easing in labor market tightness, with a decline in job vacancies, a modest rise in unemployment, and greater labor supply, in some cases associated with a strong inflow of immigrants. Wage growth has generally remained contained, with wage-price spirals—in which prices and wages accelerate together—not taking hold. Near-term inflation expectations have fallen in major economies, with long-term expectations remaining anchored.

**High borrowing costs cooling demand.** To reduce inflation, major central banks raised policy interest rates to restrictive levels in 2023, resulting in high mortgage costs, challenges for firms refinancing their debt, tighter credit availability, and weaker business and residential investment. Commercial real estate has been especially under pressure, with higher borrowing costs compounding postpandemic structural changes. But with inflation easing, market expectations that future policy rates will decline have contributed to a reduction in longer-term interest rates and rising equity markets (Box 1). Still, long-term borrowing costs remain high in both advanced and emerging market and developing economies, partly because government debt has been rising. In addition, central banks' policy rate decisions are becoming increasingly asynchronous. In some countries with falling inflation—including Brazil and Chile, where central banks tightened policy earlier than in other countries—interest rates have been declining since the second half of 2023. In China, where inflation has been near zero, the central bank has eased monetary policy. The Bank of Japan has kept short-term interest rates near zero.

**Fiscal policy amplifying economic divergences.** Governments in advanced economies eased fiscal policy in 2023. The United States, where GDP had already exceeded its prepandemic path, eased policy more than did euro area and other economies in which the recovery was incomplete. In emerging market and developing economies, in which output has on average fallen even further below the prepandemic trend, on average the fiscal stance is estimated to have been neutral. The exceptions include Brazil and Russia, where fiscal policy eased in 2023. In low-income countries, liquidity squeezes and the elevated cost of interest payments—averaging 13 percent of general government revenues, about double the level 15 years ago—crowded out necessary investments, hampering the recovery of large output losses compared with prepandemic trends. In 2024, the fiscal policy stance is expected to tighten in several advanced and emerging market and developing economies to rebuild budgetary room for maneuver and curb the rising path of debt, and this shift is expected to slow growth in the near term.

### Inflation subsiding faster than expected.

Amid favorable global supply developments, inflation has been falling faster than expected, with recent monthly readings near the prepandemic average for both headline and underlying (core) inflation (Figure 1). Global headline inflation in the fourth quarter of 2023 is estimated to have been about 0.3 percentage point lower than predicted in the October 2023 WEO on a quarter over-quarter seasonally adjusted basis. Diminished inflation reflects the fading of relative price shocks – notably those to energy prices—and their associated pass-through to core inflation. The decline also reflects an easing in labour market tightness, with a decline in job vacancies, a modest rise in unemployment, and greater labor supply, in some cases associated with a strong inflow of immigrants. Wage growth has generally remained contained, with wage-price spirals—in which prices and wages accelerate together—not taking hold. Near-term inflation expectations have fallen in major economies, with long-term expectations remaining anchored.

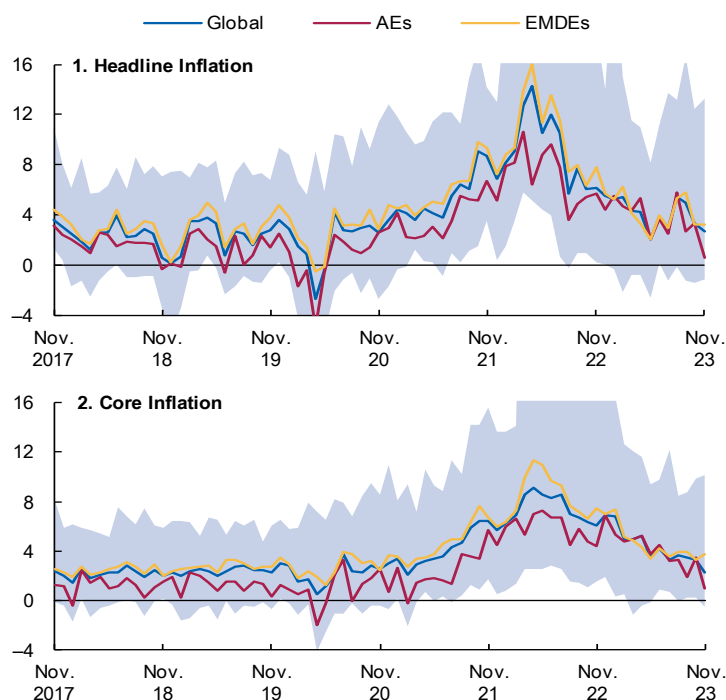
### High borrowing costs cooling demand

To reduce inflation, major central banks raised policy interest rates to restrictive levels in 2023, resulting in high mortgage costs, challenges for firms refinancing their debt, tighter credit availability, and weaker business and residential investment. Commercial real estate has been especially under pressure, with higher borrowing costs compounding post pandemic structural changes. But with inflation easing, market expectations that future policy rates will decline have contributed to a reduction in longer-term interest rates and rising equity markets. Still, long-term borrowing costs remain high in both advanced and emerging market and developing economies, partly because government debt has been rising. In addition, central banks' policy rate decisions are becoming increasingly asynchronous. In some countries with falling inflation—including Brazil and Chile, where central banks tightened policy earlier than in other countries—interest rates have been declining since the second half of 2023. In China, where inflation has been near zero, the central bank has eased monetary policy. The Bank of Japan has kept short-term interest rates near zero.

## GLOBAL GROWTH PROJECTIONS

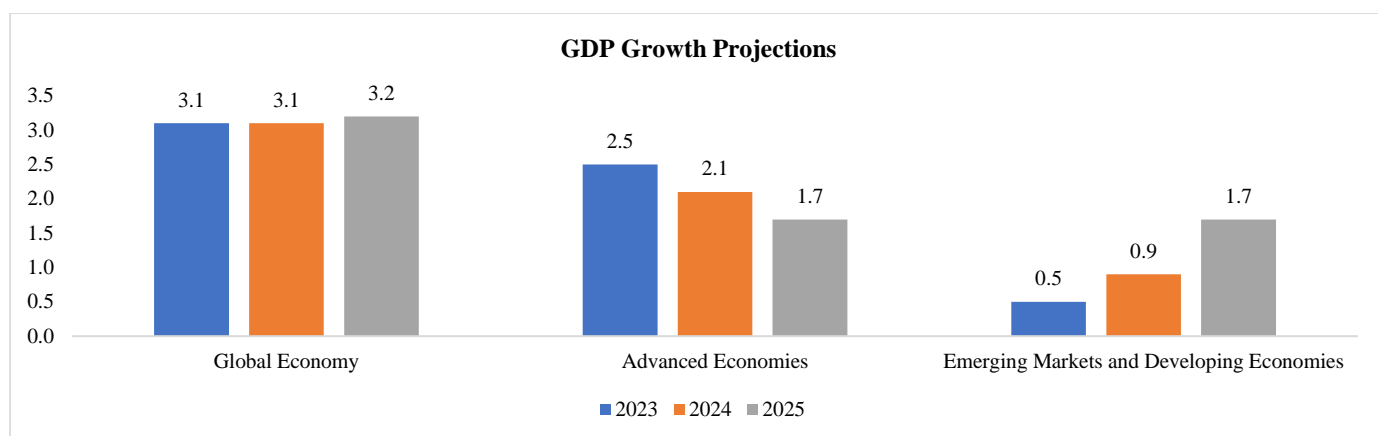
Global growth, estimated at 3.1 percent in 2023, is projected to remain at 3.1 percent in 2024 before rising modestly to 3.2 percent in 2025. Compared with that in the October 2023 WEO, the forecast for 2024 is about 0.2 percentage point higher, reflecting upgrades for China, the United States, and large emerging market and developing economies. Nevertheless, the projection for global growth in 2024 and 2025 is below the historical (2000–19) annual average of 3.8 percent, reflecting restrictive monetary policies and withdrawal of fiscal support, as well as low underlying productivity growth. Advanced economies are expected to see growth decline slightly in 2024 before rising in 2025, with a recovery in the euro area from low growth in 2023 and a moderation of growth in the United States. Emerging market and developing economies are expected to experience stable growth through 2024 and 2025, with regional differences.

**Figure 1. Global Inflation: Rise and Fall**  
(Month-over-month annualized percent change, seasonally adjusted )



Sources: Haver Analytics; and IMF staff calculations.

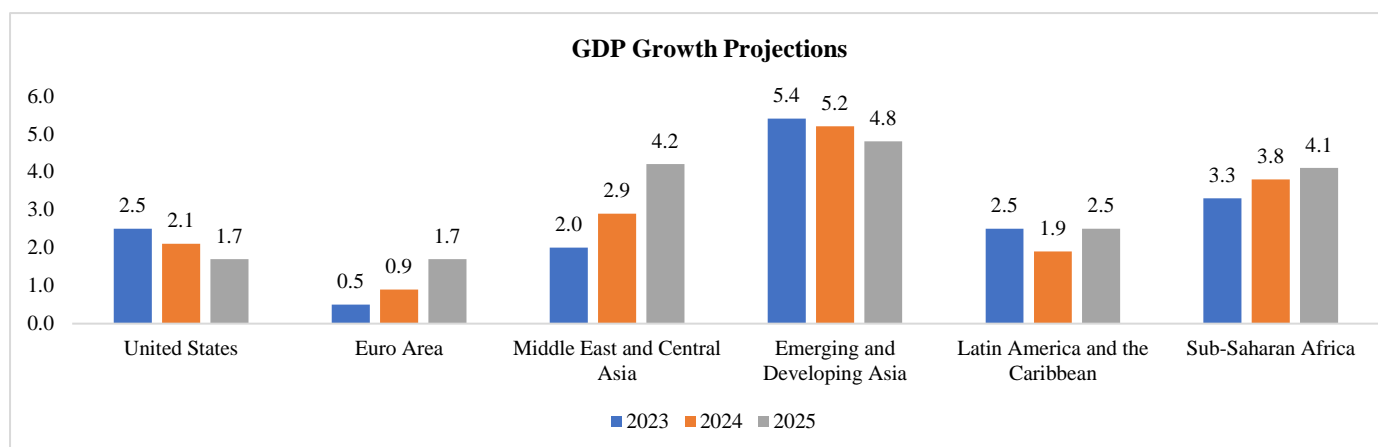
Note: The figure plots the median of a sample of 57 economies that accounts for 78 percent of *World Economic Outlook* world GDP (in weighted purchasing-power-parity terms) in 2023. Vertical axes are cut off at -4 percent and 16 percent. The bands depict the 10th to 90th percentiles of inflation across economies. "Core inflation" is the percent change in the consumer price index for goods and services, excluding food and energy (or the closest available measure). AEs = advanced economies; EMDEs = emerging market and developing economies.



World trade growth is projected at 3.3 percent in 2024 and 3.6 percent in 2025, below its historical average growth rate of 4.9 percent. Rising trade distortions and geo economic fragmentation are expected to weigh on the level of global trade. These forecasts are based on assumptions that fuel and nonfuel commodity prices will decline in 2024 and 2025 and that interest rates will decline in major economies.

For advanced economies, growth is projected to decline slightly from 1.6 percent in 2023 to 1.5 percent in 2024 before rising to 1.8 percent in 2025. An upward revision of 0.1 percentage point for 2024 reflects stronger-than-expected US growth, partly offset by weaker-than-expected growth in the euro area.

In emerging market and developing economies, growth is expected to remain at 4.1 percent in 2024 and to rise to 4.2 percent in 2025. An upward revision of 0.1 percentage point for 2024 since October 2023 reflects upgrades for several regions.



**Source: IMF, *World Economic Outlook Update, January 2024***

Note: For India, data and forecasts are presented on a fiscal basis with FY 2023/2024 (Starting in April 2023) shown in the 2023 column. India's growth projections are 5.7 percent in 2024 and 6.8 percent in 2025 based on calendar year.

Global growth, estimated at 3.1 percent in 2023, is projected to remain at 3.1 percent in 2024 before rising modestly to 3.2 percent in 2025 (Table 1). Compared with that in the October 2023 WEO, the forecast for 2024 is about 0.2 percentage point higher, reflecting upgrades for China, the United States, and large emerging market and developing economies. Nevertheless, the projection for global growth in 2024 and 2025 is below the historical (2000–19) annual average of 3.8 percent, reflecting restrictive monetary policies and withdrawal of fiscal support, as well as low underlying productivity growth. Advanced economies are expected to see growth decline slightly in 2024 before rising in 2025, with a recovery in the euro area from low growth in 2023 and a moderation of growth in the United States. Emerging market and developing economies are expected to experience stable growth through 2024 and 2025, with regional differences.

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of global trade. Countries imposed about 3,200 new restrictions on trade in 2022 and about 3,000 in 2023, up from about 1,100 in 2019, according to Global Trade Alert data.

These forecasts are based on assumptions that fuel and nonfuel commodity prices will decline in 2024 and 2025 and that interest rates will decline in major economies. Annual average oil prices are projected to fall by about 2.3 percent in 2024, whereas nonfuel commodity prices are expected to fall by 0.9 percent. IMF staff projections are for policy rates to remain at current levels for the Federal Reserve, the European Central Bank, and the Bank of England until the second half of 2024, before gradually declining as inflation moves closer to targets. The Bank of Japan is projected to maintain an overall accommodative stance.

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In the United States, growth is projected to fall from 2.5 percent in 2023 to 2.1 percent in 2024 and 1.7 percent in 2025, with the lagged effects of monetary policy tightening, gradual fiscal tightening, and a softening in labor markets slowing aggregate demand. For 2024, an upward revision of 0.6 percentage point since the October 2023 WEO largely reflects statistical carryover effects from the stronger-than-expected growth outcome for 2023.

Growth in the euro area is projected to recover from its low rate of an estimated 0.5 percent in 2023, which reflected relatively high exposure to the war in Ukraine, to 0.9 percent in 2024 and 1.7 percent in 2025. Stronger household consumption as the effects of the shock to energy prices subside and inflation falls, supporting real income growth, is expected to drive the recovery. Compared with the October 2023 WEO forecast, however, growth is revised downward by 0.3 percentage point for 2024, largely on account of carryover from the weaker-than-expected outcome for 2023.

Among other advanced economies, growth in the *United Kingdom* is projected to rise modestly, from an estimated 0.5 percent in 2023 to 0.6 percent in 2024, as the lagged negative effects of high energy prices wane, then to 1.6 percent in 2025, as disinflation allows an easing in financial conditions and permits real incomes to recover. The markdown to growth in 2025 of 0.4 percentage point reflects reduced scope for growth to catch up in light of recent upward statistical revisions to the level of output through the pandemic period. Output in *Japan* is projected to remain above potential as growth decelerates from an estimated 1.9 percent in 2023 to 0.9 percent in 2024 and 0.8 percent in 2025, reflecting the fading of one-off factors that supported activity in 2023, including a depreciated yen, pent-up demand, and a recovery in business investment following earlier delays in implementing projects.

In *emerging market and developing economies*, growth is expected to remain at 4.1 percent in 2024 and to rise to 4.2 percent in 2025. An upward revision of 0.1 percentage point for 2024 since October 2023 reflects upgrades for several regions.

Growth in *emerging and developing Asia* is expected to decline from an estimated 5.4 percent in 2023 to 5.2 percent in 2024 and 4.8 percent in 2025, with an upgrade of 0.4 percentage point for 2024 over the October 2023 projections, attributable to China's economy. Growth in *China* is projected at 4.6 percent in 2024 and 4.1 percent in 2025, with an upward revision of 0.4 percentage point for 2024 since the October 2023 WEO. The upgrade reflects carryover from stronger-than-expected growth in 2023 and increased government spending on capacity building against natural disasters. Growth in *India* is projected to remain strong at 6.5 percent in both 2024 and 2025, with an upgrade from October of 0.2 percentage point for both years, reflecting resilience in domestic demand.

Growth in *emerging and developing Europe* is projected to pick up from an estimated 2.7 percent in 2023 to 2.8 percent in 2024, before declining to 2.5 percent in 2025. The forecast upgrade for 2024 of 0.6 percentage point over October 2023 projections is attributable to Russia's economy. Growth in *Russia* is projected at 2.6 percent in 2024 and 1.1 percent in 2025, with an upward revision of 1.5 percentage points over the October 2023 figure for 2024, reflecting carryover from stronger-than-expected growth in 2023 on account of high military spending and private consumption, supported by wage growth in a tight labor market.

In *Latin America and the Caribbean*, growth is projected to decline from an estimated 2.5 percent in 2023 to 1.9 percent in 2024 before rising to 2.5 percent in 2025, with a downward revision for 2024 of 0.4 percentage point compared with the October 2023 WEO projection. The forecast revision for 2024 reflects negative growth in Argentina in the context of a significant policy adjustment to restore macroeconomic stability. Among other major economies in the region, there are upgrades of 0.2 percentage point for *Brazil* and 0.6 percentage point for *Mexico*, largely due to carryover effects from stronger-than-expected domestic demand and higher-than-expected growth in large trading-partner economies in 2023.



Growth in the *Middle East and Central Asia* is projected to rise from an estimated 2.0 percent in 2023 to 2.9 percent in 2024 and 4.2 percent in 2025, with a downward revision of 0.5 percentage point for 2024 and an upward revision of 0.3 percentage point for 2025 from the October 2023 projections. The revisions are mainly attributable to *Saudi Arabia* and reflect temporarily lower oil production in 2024, including from unilateral cuts and cuts in line with an agreement through OPEC+ (the Organization of the Petroleum Exporting Countries, including Russia and other non-OPEC oil exporters), whereas non-oil growth is expected to remain robust.

In *sub-Saharan Africa*, growth is projected to rise from an estimated 3.3 percent in 2023 to 3.8 percent in 2024 and 4.1 percent in 2025, as the negative effects of earlier weather shocks subside, and supply issues gradually improve. The downward revision for 2024 of 0.2 percentage point from October 2023 mainly reflects a weaker projection for *South Africa* on account of increasing logistical constraints, including those in the transportation sector, on economic activity.

**The prospects for individual major economies and regions are as follows:**

- In the United States and Canada, domestic demand growth is expected to moderate until mid-2024 due to tighter monetary and financial conditions, with slower job growth and a mild pick-up in unemployment. Monetary policy is expected to ease from the second half of 2024 as inflation continues to decline and is projected to help strengthen domestic demand growth in 2025. Real GDP growth is projected to slow in both countries in 2024, to 1.5% in the United States from 2.4% in 2023, and in Canada to 0.8% from 1.2%, before growth recovers in 2025 to 1.7% in the United States and 1.9% in Canada.
- Growth in the major European economies, which have been relatively hard-hit by the energy price shock in 2022 and the war in Ukraine, is expected to remain weak in the near term but improve gradually as inflation wanes, monetary policy easing gets underway and real incomes recover. Annual GDP growth in the euro area is projected to pick up from 0.6% in 2023 to 0.9% in 2024 and 1.5% in 2025. In the United Kingdom, GDP growth is projected to be subdued, with higher fiscal pressure weighing on household disposable incomes, but to improve from 0.5% in 2023 to 0.7% in 2024 and 1.2% in 2025. Tight labour markets will contribute to inflation persistence in the many countries, but as pressures ease inflation is projected to return to target in the euro area and the United Kingdom by the end of 2025.
- The war in Ukraine and its initial effects on commodity prices had a pronounced adverse impact on growth and inflation in Central and Eastern Europe, on top of the necessary adoption of more restrictive monetary policies in most economies. As inflation pressures abate, and provided the war in Ukraine does not escalate further, steady growth is projected to resume in 2024-25, with inflation falling back towards central bank targets. Reconstruction efforts following the earthquakes in early 2023 have boosted demand in Türkiye, but with monetary and fiscal policies now being tightened to cool inflation and stabilise the public finances, GDP growth is expected to moderate to around 3% on average over 2024-25, with inflation remaining high but easing gradually.
- The advanced Asian economies are projected to have somewhat divergent growth profiles over 2024-25, reflecting in part different policy stances. In Japan, where monetary policy has remained accommodative, growth is projected to increase to 1.7% in 2023 before moderating to 1% in 2024 and 1.2% in 2025 as the positive contribution from net exports fades and macroeconomic policies begin to be tightened. Wage growth is projected to strengthen gradually, with inflation settling durably at 2% in 2024-25. Real GDP growth in Korea is expected to bottom out at 1.4% in 2023, held back by weak export demand and tighter monetary policy, recovering to 2.3% and 2.1% in 2024 and 2025 respectively as global semiconductor demand picks up and policy interest rates are lowered.
- GDP growth in China is projected to have rebounded to 5.2% in 2023, but is expected to slow to 4.7% in 2024 and 4.2% in 2025. Consumption growth remains subdued and activity in the real estate sector continues to weaken, but monetary policy easing and additional infrastructure investment will help underpin domestic demand. Consumer price inflation is expected to remain very low, at under 2% in 2024 and 2025.
- India has been relatively unaffected by the surge in energy prices in 2022 and the tightening of monetary conditions in the advanced economies over the past two years. Real GDP growth is projected to be 6.3% in FY 2023-24 and 6.1% in FY 2024-25. Surging services exports and public investment will continue to drive the economy. Inflation is also projected to decline progressively, supporting purchasing power. By FY 2025-26, the expected end of the El Niño weather pattern and productivity gains from recent policy reforms are projected to help growth pick up to 6.5%. GDP growth is also projected to remain brisk in Indonesia, at 4.9% this year and 5.2% in 2024 and 2025, with improved labour market conditions and confidence supporting consumer spending. Inflation in Indonesia has already been pushed down by tighter monetary policy and is projected to be 2.4% in 2024 and 2025. Inflation in India is now below the upper band of the central bank's target range, and is projected to be 5.3% in FY 2024-25 and 4.2% in FY 2025-26.

- Current economic conditions in the Latin American economies vary widely, with growth in the first half of 2023 having remained solid in countries such as Brazil, Mexico and Costa Rica, but slowing in Colombia and Chile and weak in Peru and Argentina, with the latter remaining in the grip of an economic crisis. Over 2024-25 some convergence is expected, however, with most of these economies projected to have GDP growth in the range of 2-3% in 2025. A common feature is that inflation is expected to continue to subside, facilitating a recovery of real incomes.  
(Source: [OECD.org](https://www.oecd.org))

## STRENGTHENING RURAL MARKETS

Rural regions are by nature highly open to trade and must focus on competitiveness in order to grow. But for a rural region to be competitive, and hence sustainable, it has to be capable of producing goods and services that can be sold at a profit to other regions. With globalization and shifts in terms of trade, most rural regions have to find new economic roles. This suggests that a better understanding of the economic strengths and weaknesses of rural regions is essential to improving their growth prospects. Clearly rural regions will not grow in the same way that urban regions grow. And because “first-nature geography” (climate, natural resources, soil, etc, as opposed to secondary or human geography) is more important in rural regions, it will also be the case that growth opportunities will vary considerably among rural regions, even within the same country. Some key points for consideration:

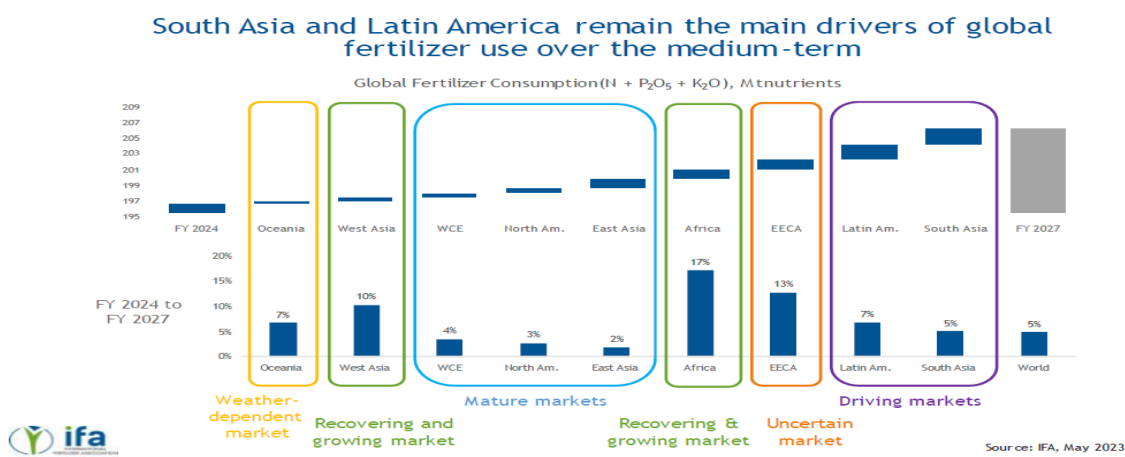
- Local supply chains are a crucial factor for regional growth. An efficient support network lowers the cost of production of the export sector enhancing its competitiveness.
- Rural regions are by definition too small to have a high rate of self-supply, because the home market is too small and must specialize in the production of a limited number of products or services to reach minimum efficient scale.
- In many cases rural areas are characterized by a lack of local competition: limited possible sources of funds, and higher costs than in urban areas.
- In single industry towns, one firm is usually the major employer and the firm may be a long distance from its nearest competitor. Distance from markets may add cost to the delivered price of its product, but distance from competitors can also preserve a spatial monopoly that shields the firm from competition.
- A better measure of longer-term economic viability is to examine growth in GDP per capita or GDP per worker. In a competitive environment expanding the number of workers is beneficial only if output per worker expands with increased employment. Unfortunately, too often places where the number of jobs are expanding in unproductive firms are seen as successful, while places where jobs are declining, but productivity is increasing are seen as unsuccessful.

(Source: [OECD.org](https://www.oecd.org))

## GLOBAL FERTILIZER OUTLOOK

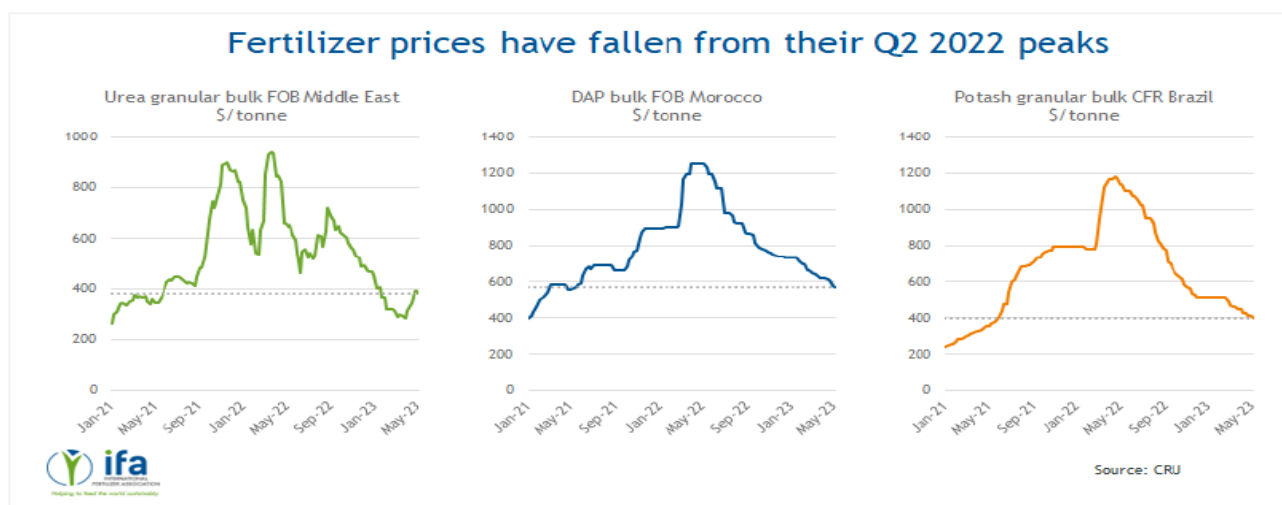
### BACKDROP TO THE FERTILIZER OUTLOOK

More than a year has now passed since the onset of the war in Ukraine. In that time, the world faced the prospect of a fertilizer supply shortage, and prices reached record highs in Q2 2022. As a result, an unprecedented focus was placed on the importance of fertilizers and the crucial role they play in feeding the world. Despite the challenges associated with sanctions, high raw material costs and export restrictions, global fertilizer supply was better in 2022 than the pessimistic case of the three scenarios presented by IFA (International Fertilizer Association) in May 2022.



A number of factors facilitated this better-than-expected supply situation:

- Governments clarified that the flow of food and fertilizer exports from Russia should not be impacted by sanctions.
- Trade was facilitated by governments, NGOs and industry, who stepped in to support fertilizer supply chain.
- New Trade partners emerged, particularly in economies with low exposure to the US dollar.
- Raw material prices declined as energy markets adjusted to reduced reliance on Russian supply.



Fertilizer prices have declined from the peaks of Q2 2022, improving affordability for many farmers. However, the impacts of poor affordability were still felt throughout 2022, with many buyers deciding to delay or skip fertilizer applications.

Furthermore, the world has entered a high-interest rate environment in efforts to curb inflation, which has placed an additional financial burden on fertilizer buyers. Several emerging economies have seen their currencies depreciate against the US dollar, which in the most extreme cases has more than offset the decline in international fertilizer prices. Smallholder and subsistence farmers remain more exposed to input costs, as they lack the end market and credit facilities that benefit commercial farmers' ability to pay for inputs.

In the short term, uncertainties remain in the fertilizer supply chain, namely the fate of the Black Sea Grain Initiative, potash exports from Belarus, and energy price developments in H2 2023. Affordability continues to rank highly as a driving factor behind fertilizer use although other agricultural fundamentals are expected to reappear as major drivers in the coming years, and will be underpinned by the balance between food security and environmental protection.

#### **GLOBAL FERTILIZER USE IS EXPECTED TO RECOVER PARTIALLY IN FY 2023**

In FY 2023, consumption of fertilizers worldwide is expected to recover by 4% to 192.5 Mt, right above the FY 2019 level of 191.8 Mt. N use is expected to recover by 3% to 109 Mt; and P and K by 5% each to 46 and 37 Mt respectively. Consumption of all three nutrients is forecast to return to or exceed their FY 2019 levels but remain below the record FY 2020 levels.

With cereals accounting for over half of global fertilizer use, the smaller demand for mineral nutrients in FY 2021 and FY 2022 partly reflected a contraction of cereal area. Global cereal area contracted by 1.5% in crop marketing year 2022/23, driven by maize (-3.4%). Some of this maize area was switched to other crops such as soybeans, which require lower amounts of nutrients. In crop marketing year 2023/24, global cereal area is expected to recover slightly, led by a rebound in maize.

At the regional level, South Asia and Latin America are forecast to lead the recovery in global fertilizer use in FY 2023, accounting for almost 60% of the total gain. In South Asia, N consumption is expected to rise by 5% to a record level of 27 Mt; P consumption is forecast to recover partially to 10.7 Mt (+9%); and K to grow from 2.2 Mt, the lowest level in 19 years, to 2.5 Mt (+12%), still the second lowest level in 20 years. Pakistan's use is forecast to recover by 10% following the 2022 floodings.

In Latin America, fertilizer consumption is expected to increase by 7% after a 14% fall, to reach 27.6 Mt, close to the FY 2020 level of 27.7 Mt. In particular, fertilizer use in Argentina could recover from a severe drought caused by La

Niña. In relative terms, West Asia is expected to experience the largest recovery in fertilizer use in FY 2023 (+13%) after suffering the largest drop between FY 2020 and FY 2022 (-17%). WCE and Africa, which also saw significantly lower fertilizer use in FY 2020-FY 2022, are not expected to recover as quickly. Fertilizer use is forecast to rebound by 5% in WCE, and 3% in Africa. In EECA, a partial recovery in Ukraine fertilizer use could be offset by a reduction in Russia after a record year: winter wheat area contracted due to heavy rains at planting time and winter losses.

A survey of IFA's country correspondents was conducted in Q2 2023, asking them to rate various factors depending on their expected influence on fertilizer use between FY 2024 and FY 2027. The results of the survey indicate that, according to IFA correspondents, fertilizer affordability remains the top driving factor over the medium-term. But other factors have gained in importance compared to the short-term view: climate change and/or water availability, the international geopolitical situation, government regulations, government support to farmers and/or national food security, the national economic situation, new fertilizer products and/or new technologies on the farm and/or changes in farming practices, and fertilizer availability.

#### **BETWEEN FY 2024 AND FY 2027, REGIONAL FERTILIZER MARKETS CAN BE CLASSIFIED IN FIVE TYPES:**

1. Driving markets: South Asia and Latin America, with top contributions and comfortable growth rates (5% to 7% between FY 2024 and FY 2027).
2. Mature markets: East Asia, North America and WCE, with average contributions to global growth and low growth rates (2% to 4%). Fertilizer consumption in East Asia is expected to be driven by countries other than China in this period.
3. Weather-dependent market: Oceania, which would grow by 7% over the three years, from an El Niño -affected basis in FY 2024.
4. Recovering and growing markets: Africa (+17%) and West Asia (+10%)
5. Uncertain market: EECA, which would grow by 13% based on an assumed gradual recovery in agricultural production and fertilizer use.

The mix of largest contributing regions depends on the nutrient. EECA, Latin America, South Asia and Africa account for 67% of the growth in world N use between FY 2024 and FY 2027. South Asia, Latin America and Africa account for 65% of growth in global P<sub>2</sub>O<sub>5</sub> use growth. Latin America, South Asia and East Asia account for 68% of growth in world K<sub>2</sub>O use.

#### **Demand on track to recover but more complex drivers emerge in the medium-term**

After a two-year contraction, driven by reduced fertilizer affordability, global fertilizer use is expected to partially recover in FY 2023. Slowing annual global growth is expected after FY 2023. Affordability will remain the top driver in the medium-term, but other factors are expected to rise in importance. India to become "Aatmanirbhar" in phosphatic fertilizers.

#### **INDIAN ECONOMIC**

GDP growth is projected at 7.8% in FY 2023-24 and around 6½ per cent in each of the following two fiscal years. Domestic demand will be driven by gross capital formation, particularly in the public sector, with private consumption growth remaining sluggish. Exports will continue to grow, especially of services such as information technology and consulting where India will continue to increase its global market share, supported by foreign investment. Headline inflation will decline gradually, although uncertainty about food inflation remains elevated.

Monetary policy easing is projected to start in the second half of the year once lower inflation is maintained. The 2024 Interim Union Budget aims for consolidation, setting a fiscal deficit target at 5.1% of GDP for FY 2024-25. Fiscal support should remain targeted towards vulnerable households. Rising debt limits fiscal space and increases the need to tackle structural problems in order to make growth fairer and more sustainable. Returns from reforms could be significant in agriculture, which accounts for the largest share of employment and, due to low productivity and still widespread poverty, absorbs considerable public subsidies.

#### **PUBLIC INVESTMENT HAS BOOSTED AGGREGATE DEMAND**

Growth was stronger than expected in the second half of FY 2023-24, driven by strong public investment in transport and energy infrastructure, as well as exports of services. Private real estate demand is also strong. On the other hand, private consumption has been less vigorous, confirming the preliminary findings from a new household consumption expenditure survey. Some high-frequency indicators, including on E-way bills, toll collections, and new vehicle and scooter sales are suggesting increasing activity. Other indicators, such as digital payment transactions and cement output, remain relatively flat. In urban areas, conditions on the labour market have become more favourable for job seekers, but in rural areas demand for work under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has lost steam, although it remains at high levels. The tighter monetary policy stance and tight liquidity have helped to anchor inflation expectations, despite recurrent supply-side shocks. Headline inflation eased to 4.9% in March 2024, helped by lower import price growth and softer input prices, and core inflation stood at 3.2%. The stock exchange has reached new highs recently, with related capital gains supporting discretionary consumption. The growth of bank credit to industry slowed to 7.8% in January 2024.

### **MONETARY POLICY WILL START LOOSENING AND FISCAL CONSOLIDATION REMAINS A PRIORITY**

The Reserve Bank of India (RBI) remains committed to the objective of achieving the medium-term target for CPI inflation of 4% within a band of +/- 2%, while supporting growth. Assuming a normal monsoon season and no other supply shocks that may de-anchor inflation expectations, a first cut of the policy rate is projected in late 2024, with cumulative cuts of up to 125 basis points implemented before March 2026. The RBI will only switch the stance to neutral during 2025.

The FY 2024-25 budget is projected to meet the Interim Budget's ambitious Union deficit target of 5.1% of GDP, mostly through continuing improvement in tax collection (at largely unchanged rates) and, to a lesser extent, lower outlays for defence and transportation. A full-year budget will be presented after the April-June general election, providing a detailed statement of the new government's strategy. Reducing government indebtedness will require a combination of increased revenues, improved spending efficiency and stronger fiscal rules. Renewed consideration should be given to divestiture of government assets, including of public banks and utilities.

### **A MODERATE SLOWDOWN IS EXPECTED**

In FY 2024-25, India's GDP growth will slow to 6.6%. Fiscal consolidation, while necessary, will weigh on public investment, and be offset only partially by stronger private investment as business confidence improves. Household consumption (in particular, consumers' discretionary demand) is not expected to accelerate, amid disappointing job creation, lukewarm rural performance, and still tight financial conditions. Stronger external demand will bring an improvement in export growth. GDP growth will remain in line with the 20-year average in FY 2025-26.

Risks are balanced. On the downside, they include new supply chain disruptions generated by geopolitical turmoil, food inflation stickiness due to extreme weather episodes, and negative spillovers from fluctuations in global financial markets. On the upside, growth may be faster than projected if ongoing disinflation strengthens consumers' purchasing power, boosting household consumption, business investment and job creation.

### **FISCAL CONSOLIDATION SHOULD BE ACCOMPANIED BY REFORMS, INCLUDING IN AGRICULTURE**

India needs to achieve a higher level of real GDP growth to address the country's multiple development challenges, especially job creation. Fiscal consolidation is appropriate in the current context given the high level of public debt, which holds back private investment. Fiscal consolidation requires a prioritisation of expenditures on infrastructure, including schools and hospitals, climate risk mitigation and digitalisation. Removing market distortions is another key requirement to facilitate resource allocation and foster stronger, more sustainable and inclusive growth, including in agriculture. The sector employs 44% the workforce and accounts for 56% of non-energy CO<sub>2</sub> emissions, but only for around 15% of GDP. Agricultural yields are sub-par and incomes low. Moreover, fertiliser and food subsidies represent a fifth of the overall government budget. To ensure further progress, unpredictable export restraints and tax surcharges should be avoided, subsidies for fertilisers and pesticides reduced, and minimum price supports rationalised (accompanied by a shift to direct payments for non-staple crops). In addition, requirements to sell produce in mandis (state-regulated wholesale markets) should be relaxed. Such bold actions must be accompanied by pro-active communication, open dialogue with stakeholders and regulatory safeguards.

*(Source:OECD)*

## INDIAN AGRICULTURE INDUSTRY

India is one of the major players in the agriculture sector worldwide and it is the primary source of livelihood for ~55% of India's population. India has the world's largest cattle herd (buffaloes), largest area planted to wheat, rice, and cotton, and is the largest producer of milk, pulses, and spices in the world. It is the second-largest producer of fruit, vegetables, tea, farmed fish, cotton, sugarcane, wheat, rice, cotton, and sugar.

Agriculture sector in India holds the record for second-largest agricultural land in the world generating employment for about half of the country's population. Thus, farmers become an integral part of the sector to provide us with means of sustenance. According to Inc42, the Indian agricultural sector is predicted to increase to US\$ 24 billion by 2025. Indian food and grocery market is the world's sixth largest, with retail contributing 70% of the sales. As per First Advance Estimates for FY23 (Kharif only), total food grain production in the country is estimated at 149.92 million tonnes. Rapid population expansion in India is the main factor driving the industry.

The rising income levels in rural and urban areas, which have contributed to an increase in the demand for agricultural products across the nation, provide additional support for this. In accordance with this, the market is being stimulated by the growing adoption of cutting-edge techniques including blockchain, artificial intelligence (AI), geographic information systems (GIS), drones, and remote sensing technologies, as well as the release of various e-farming applications.

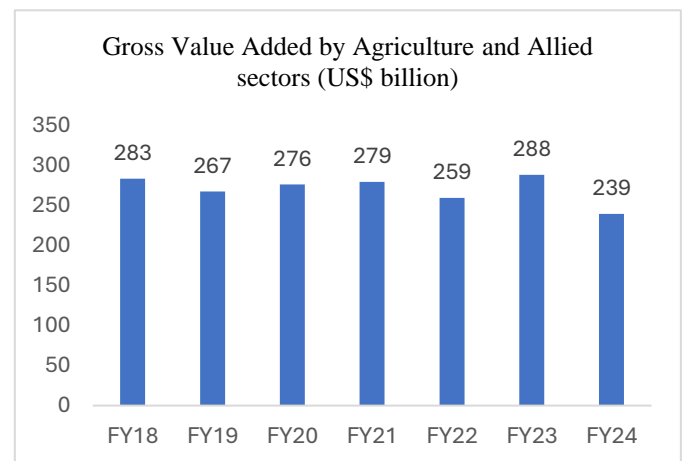
Agriculture, including its allied sector, is the largest source of income in India.

According to an article in Down to Earth, the sector contributes 19.9% to the country's GDP (as of FY 2020-21), with 54.6% of the population engrossed in agricultural activities.

While India may have achieved self-reliance in production of food grains, the production process is labour-intensive and regionally biased. As most rural households mainly depend on farming for their livelihood and the country's agricultural land suffers from varied degrees of degradation and erosion, many farmers use chemical and organic fertilisers to improve plant nutrients and crop yields; therefore, boost their earnings.

The agricultural sector's success largely depends on the fertiliser industry, which manufactures some of the most important raw materials required for production of crops. Moreover, the Indian fertiliser industry is extremely crucial as it produces phosphorous-based fertilisers such as single superphosphate (SSP), Diammonium phosphate (DAP), Monoammonium phosphate (MAP), nitrogen, phosphorus, and potassium (NPKs) and which aids in the development of healthy crops.

To manufacture these fertilisers, the country mainly depends on rock phosphate, which is a common, key raw material and largely sourced from Rajasthan and Madhya Pradesh. Despite this, India imports 90% rock phosphate from other countries.



## GROWTH IN AGRICULTURE INDUSTRY

In India, agriculture is the primary source of livelihood for ~55% of the population.

At current prices, agriculture and allied sectors account for 18.3% of India's GDP (2022-23).

As First Advance Estimates of the country's Agriculture and allied activities recorded a growth rate of 3.5-4% in 2021-22.

As per the Second Advance Estimates of National Income, the share of GVA of agriculture and allied sectors in the total economy in 2022-23 was 18.3%, with a growth rate of 3.3%.

For the year 2022-23, an export target of US\$ 23.56 billion has been fixed for the agricultural and processed food products basket and an export of US\$ 17.435 billion has already been achieved in eight months of the current fiscal.

Between April 2000-September 2023, FDI in agriculture services stood at US\$ 4.77 billion.

According to Bain & Co., the Indian agricultural sector is predicted to increase to US\$ 30-35 billion by 2025.

In December 2023, NBCC signed an MoU with the National Cooperative Development Cooperation (NCDC) and NABARD for the construction of (1,469-grain storage units) the world's largest grain storage plan in the cooperative sector.

## GOVERNMENT INITIATIVES

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

- In the Union Budget 2023-24: Rs. 1.24 lakh crore (US\$ 15.9 billion) has been allocated to the Department of Agriculture, Cooperation and Farmers' Welfare. Rs. 8,514 crore (US\$ 1.1 billion) has been allocated to the Department of Agricultural Research and Education.
- Through several Digital Initiatives, such as the National e-Governance Plan in Agriculture (NeGP-A), the construction of Digital Public Infrastructure (DPI), digital registries, etc., the government has taken a number of steps to ensure access to IT across the nation.
- The Soil Health Card site has been updated and connected with a Geographic Information System (GIS) system, allowing all test results to be captured and shown on a map. Samples are now being gathered using a mobile application as of April 2023 under the new system.
- The Agricultural Technology Management Agency (ATMA) Scheme has been implemented in 704 districts across 28 states and 5 UTs to educate farmers. Grants-in-aid are released to the State Government under the scheme with the goal of supporting State Governments' efforts to make available the latest agricultural technologies and good agricultural practices in various thematic areas of agriculture and allied sector.
- Since its inception, i.e. from 01.04.2001 to 31.12.2022, a total of 42,164 storage infrastructure projects (Godowns) with a capacity of 740.43 Lakh MT have been assisted in the country under the Agricultural Marketing Infrastructure (AMI) sub-scheme of the Integrated Scheme for Agricultural Marketing (ISAM).
- The Centre has granted permission to five private companies to conduct cluster farming of specified horticulture crops on approximately 50,000 hectares on a trial basis, with a total investment of US\$ 91.75 million (Rs. 750 crore). The five companies chosen through a bidding process for the pilot cluster farming program are Prasad Seeds, FIL Industries, Sahyadri Farms, Meghalaya Basin Management Agency.
- 27,003 Loans have been sanctioned in the country under credit linked subsidy component of the PM Formalisation of Micro Food Processing Enterprises Scheme (PMFME).
- In July 2022, the PM Formalisation of Micro food processing Enterprises (PMFME) scheme was launched for providing financial, technical and business support for setting up/ upgradation of micro food processing enterprises in the country with an outlay of Rs. 10,000 crore (US\$ 1.27 billion).
- The Indian government is planning to launch Kisan Drones for crop assessment, digitization of land records, and spraying of insecticides and nutrients.
- NABARD will assist in the creation of a blended capital fund with a focus on the agricultural start-up ecosystem which will be used to fund agriculture and rural enterprise startups that are related to the farm product value chain.
- A network of 729 Krishi Vigyan Kendras has been established at the district level across the country to ensure that newer technologies such as improved variety seeds of crops, new breeds/ strains of livestock and fish, and improved production and protection technologies reach farmers.

- In October 2021, the Union Minister of Home Affairs and Cooperation launched the ‘Dairy Sahakar’ scheme in Anand, Gujarat.
- Ministry of Civil Aviation launched the Krishi UDAN 2.0 scheme in October 2021. The scheme proposes assistance and incentive for the movement of agri-produce by air transport. The Krishi UDAN 2.0 will be implemented at 53 airports across the country, largely focusing on Northeast and tribal regions, and is expected to benefit farmers, freight forwarders, and airlines.

(Source: *IBEF*)

## **AGRICULTURE 4.0: FUTURE OF INDIAN AGRICULTURE**

Agriculture plays a significant role in India’s growing economy. With around 54.6% of the total workforce involved in agriculture and allied sector activities, the sector contributes to 17.8% of the country’s gross value added (GVA). During 2021-22, the country recorded US\$50.2 billion in total agriculture exports with a 20% increase from US\$41.3 billion in 2020-21. It is projected that the Indian agriculture sector will grow by 3.5% in FY23.

With the use of conventional farming methods, there’s comparatively less improvement in efficiency and agricultural yields which resulted in lower productivity. Due to this concern, the government initiated the fourth wave of revolution in the agricultural sector to introduce technological advancement in these activities to improve yields and promote the involvement of the population in this sector.

Agriculture 4.0 is a considerably advanced version of precision farming methods. It has the potential to transform the existing methods of farming. Precision farming focuses on a comprehensive approach towards maintaining the field and soil well-being with a focus on improving the quality and quantity of yield with minimum environmental harm. The idea of revolution in agriculture involves the use of the Internet of Things (IoT), big data, artificial intelligence, and robotics to accelerate and improve the efficiency of activities throughout the entire production chain. It has the potential to transform the conventional farming industry. Conventional farming practices control crop watering and spraying pesticides or fertilisers uniformly across the field. Instead, the farmers will need to be more targeted and data-driven in the context of farming. Future farms will be more productive owing to the employment of robotics, temperature and moisture sensors, aerial photos, and GPS technology. These cutting-edge methods will improve farm profitability, efficiency, safety, and environmental friendliness. They are together referred to as advanced or high-tech precision farming.

Around one-third of food produced for consumption which is worth over US\$ 1 trillion is lost or wasted in transit. This leads to millions of people sleeping hungry every night. The UN World Food Programme reports state that the primary cause of rising hunger around the globe is food wastage or loss due to uneven handling of food.

The concern about food wastage gave rise to the involvement of technology in agriculture to improve productivity and reduce wastage by proper handling of food. The data analytics and AI will help farmers to monitor the activities of seeds to the final crop. This will result in better yield and as a result, people will be involved in agriculture and eventually, the nation will target the least hunger issues. These challenges led to the introduction of Agriculture 4.0 wherein farmers won’t be dependent on water facilities, fertilizers, and pesticides uniformly across entire fields. Instead, farmers will be suggested to use minimum quantities and target specific areas for different crops to get better productivity.

## **PROSPECTS OF INDIAN AGRICULTURE**

The continuous technological innovation in the Indian agriculture sector plays a critical role in the growth and development of the Indian agriculture system. It will be crucial for ensuring agricultural production, generating employment, and reducing poverty to promoting equitable and sustainable growth. Constraints include diminishing and degraded land and water resources, drought, flooding, and global warming generating unpredictable weather patterns that present a significant barrier for India’s agriculture to grow sustainably and profitably. The future of agriculture seems to involve much-developed technologies like robotics, temperature and moisture sensors, aerial images, and GPS



technology. Farms will be able to be more productive, efficient, safe, and environmentally sustainable owing to this cutting-edge equipment, robotic systems, and precision agriculture.

Various factors such as data analysis matrix and technological advancement in the existing agricultural machinery contribute to the production of food grains for consumption and commercial needs. The production of commercial food grain support the economy and improves the GDP.

Hence, the future growth of Indian agriculture appears to be growing with an upward graph which is backed by technological advancements and government initiatives.

## **RECENT TRENDS IN AGRICULTURE**

India's agriculture mainly depends on nature, however changing climate and global warming are making farming unpredictable. The need to use modern technologies to increase productivity and profitability led to the emergence of Agriculture 4.0 in India. There have been significant changes in India in the context of agriculture over the decades and many new technologies have been developed.

Several new-age farmers are using soil mapping software as well to determine the optimum level of fertilizers used in the farms. These emerging technologies in farming and agriculture pave the way for more opportunities. The agro-tech start-ups and traditional farmers are also using the latest solutions and trends to improve production in the food value chain. It includes the adoption of new technologies such as cloud-based solutions and other relevant advanced agricultural management techniques to increase farmer efficiency and produce more crops.

Emerging trends in the agricultural sector that are quite prominent in the post-liberalization era include increased production, increased investment, diversification of the sector, use of modern techniques, development of horticulture and floriculture, increasing volume of exports and development of the food processing industry.

## **SOME OF THE RECENT TRENDS IN AGRICULTURAL INDUSTRY:**

### **1. Agricultural Drone Technology-**

Drones are used widely for medical delivery to protection assistance and are used in agriculture to improve the growth of crops, maintenance, and cultivation methods.

### **2. Diversification of Agriculture-**

The agricultural sector produces generic consumption needs as well as crops like fruits, vegetables, spices, cashews, areca nuts, coconuts, and floral products such as flowers, orchids, etc. With the increasing demand for these products, there's a huge potential in terms of production and trade of these products. This shows how the agricultural sector is being transformed into a dynamic and commercial sector by shifting the mix of traditional agricultural products towards higher quality products, with a high potential to accelerate production rates.

### **3. Increasing Trend in Horticulture Production-**

The availability of diverse physiographic, climatic, and soil characteristics enables India to grow various horticulture crops. It includes fruits, vegetables, spices, cashew, coconut, cocoa, areca etc. The total horticulture production in FY22 is estimated at 342.333 million tonnes which is an increase of about 7.03 million tonnes (2.10% increase) from 2020-21.

### **4. Development of Agriculture in Backward Areas-**

In the post-green revolution era, the introduction of new agricultural strategies, research, and technology was mostly limited to producing specific food grains, i.e., wheat and rice. However, under the wave of liberalization, with the growing demand for agricultural exports, many new sectors of agricultural activities have become favourable and profitable.

In some agriculturally backward areas with no irrigation system and access to fewer resources, dry land farming has been introduced. Other activities were also encouraged such as horticulture, floriculture, animal husbandry, fisheries, etc. To support the development in those areas, various modern techniques have been installed in the backward areas.

## **5. Ariel Imaging-**

Ariel imaging involves the use of geographic information system (GIS) technology to analyze the potential of irrigation projects and their impact on land degradation, erosion, and drainage. The visuals of this technology allow assessment of an individual plant's foliage. These visuals are actively used to detect pests and diseases to protect crops from environmental threats. It mostly helps farmers to monitor the soil conditions of farms and is useful in the summer season when there is the least availability of water.

## **6. Hydroponics and Vertical Farming-**

The concept of hydroponics farming focus towards better yields, texture, and taste of the final product with less water consumption. Plants which are grown hydroponically do not need extensive root systems and it allows them to contribute more energy towards the production of leaves and fruits. Because of indoor cultivation, these plants mature quickly and possess better immunity against pests and other diseases.

In the context of sustainability, vertical farming allows farms to be located near or within areas of high population density which reduces the need for transportation and any harmful emissions. Vertical farming provides the ability to grow crops in urban environments and contributes to the availability of fresh foods conveniently. This farming significantly reduces the amount of land space required to grow crops compared to conventional farming methods.

## **7. IoT in Agriculture-**

IoT supports agriculture through the installation of various sensors in agricultural farms. These sensors are used to monitor light, humidity, soil moisture, temperature, crop health, etc. Some of the major uses of IoT in agriculture are as follows:

1. Various farm sensors such as autonomous vehicles, wearables, button cameras, robotics, control systems, etc help in the collection of data to analyse the performance of the farm.
2. Use of aerial and ground-based drones for crop health assessment, irrigation, monitoring and field analysis.
3. Use of tools to predict rainfall, temperature, soil, humidity, and other forecasted natural calamities.

## **GOVERNMENT INITIATIVES**

The government has taken various initiatives to enable the potential digitalization of the agricultural sector in India. It focuses on promoting Agri-tech businesses which are working towards boosting productivity.

- A. The government has finalized an India Digital Ecosystem of Agriculture (IDEA) framework that will establish the architecture for the federated database of farmers. This database is being built by taking the publicly available data as existing in various schemes and linking them with the digitalized land records. The IDEA would serve as a foundation to build innovative Agri-focused solutions leveraging emerging technologies to contribute effectively to creating a better Ecosystem for Agriculture in India. This Ecosystem shall help the Government in effective planning towards increasing the income of farmers and improving the efficiency of the agriculture sector.
- B. To facilitate agricultural engineering research, operations, and technology diffusion, the Central Institute of Agricultural Engineering, Bhopal (ICAR-CIAE) of the Indian Council of Agricultural Research (ICAR) has created the Krishi Yantra App. A web portal has been made available by ICAR-CIAE on their website to guarantee that businesses choose the proper mechanization technology. This aids current and potential business owners in choosing machines and purchasing options. The portal also offers the option of user and specialist engagement.

- C. Farm Safety app was developed by ICAR-CIAE which provides information about safety guidelines and Safety Gadgets to avoid accidents while using different types of agricultural machinery.
- D. A smartphone app called Water Balance Simulation Model for Roof Water Harvesting assists decision-makers in recommending design criteria. It provides that where the implementation of a roof water harvesting system may result in water savings and water security.  
(Source: IBEF)

## OUR BUSINESS

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “Forward Looking Statements” on page 17 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 25 and 270 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our financial year ends on March 31 of each year, and references to a particular financial year are to the twelve months ended March 31 of that year. Unless otherwise indicated or the context otherwise requires, in this section, references to “Company, “Our Company”, “we” or “us” mean Balaji Phosphate Limited.*

*Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Prospectus.*

## BUSINESS OVERVIEW

### HISTORY

Our Company was originally incorporated as “Balaji Phosphate Private Limited” vide Registration No. 19737 under the Companies Act, 1956 vide certificate of incorporation dated April 4, 1996, issued by the Registrar of Companies, Uttar Pradesh Kanpur (“ROC”) and was granted a certificate of commencement of business dated April 4, 1996, by Assistant Registrar of Companies, Uttar Pradesh Kanpur. Thereafter, Our Company was converted to public limited company and a fresh certificate of incorporation was issued by Registrar of Companies, Gwalior (“ROC”) on September 18, 2023. The name of the company was changed to “Balaji Phosphates Limited” The Corporate Identification Number of our Company was updated to U24123MP1996PLC067394. For details of change in registered office of our Company, please refer to chapter titled “History and Corporate Matters” beginning on page no. 150 of this Prospectus.

## TRANSFER OF OWNERSHIP

The company was originally promoted by Pawan Kumar Agrawal and Sushil Kumar Agrawal. In 2014, control of the company was transferred to the current promoters, Mr. Mohit Airen and Mr. Alok Gupta.

**Details of Transfer of Shares are as follows:**

Date	Transferor	Transferee	Shares Transferred	Price Per Share (Rs.)
March 31, 2014	Lakshay Vinjya	Mr. Mohit Airen	217,600	1.35
	Lilac Vyapar	Mr. Mohit Airen	89,800	1.35
	Lakshay Vinjya	Mr. Alok Gupta	307,400	1.35
May 14, 2020	Manoj Kanodia	Mr. Mohit Airen	57,550	8.47
	Nikita Kandoia	Mr. Mohit Airen	25,000	8.47
	Pawan Agrawal	Mr. Mohit Airen	42,350	8.47
	Lilac Vyapar	Mr. Mohit Airen	217,600	8.47
	Rita Airen (Transmission)	Mr. Mohit Airen	548,500	8.47
	Manoj Kanodia	Mr. Alok Gupta	57,550	8.47
	Nikita Kandoia	Mr. Alok Gupta	25,000	8.47
	Sushil Agrawal	Mr. Alok Gupta	42,350	8.47
	Lilac Vyapar	Mr. Alok Gupta	217,600	8.47

## BUSINESS

We are engaged in the manufacture and supply of Single Super Phosphate (SSP) in powder and granulated forms, NPK Granulated and Mixed Fertilizers and Zinc Sulphate, all conforming to the standards of Fertilizer Control Order of India. We sell our products under the brand names of 'RATNAM' and 'BPPL' to a diverse range of customers, including retailers, wholesalers and state-owned cooperatives with farmers being the end users of the products.

Our range of phosphate fertilizers comprising Single Super Phosphate (SSP), zinc sulfate, and NPK Granulated & Mix fertilizers – are used in agricultural soils to enhance plant growth and development. SSP addresses phosphorus deficiencies, especially in acidic soils, promoting robust root development and seedling establishment. Zinc sulfate corrects zinc deficiencies in alkaline and sandy soils, enhancing plant health and crop yield. Our NPK fertilizers provide a balanced blend of nitrogen, phosphorus, and potassium for optimal crop growth and improved productivity. In line with the initiatives of the Department of Fertilizers, Government of India, we offer value-added, fortified SSP with zinc and boron to tackle soil deficiencies. Our products cater to farmers in Madhya Pradesh, Chhattisgarh, Maharashtra, Telangana, and Andhra Pradesh, supporting local agricultural growth.

Our Company's business operations are led by our promoter directors, Mr. Mohit Airen and Mr. Alok Gupta, who collectively have over 40 years of experience in the fertilizer industry. Their hands-on involvement and in-depth knowledge of the industry ensure strategic guidance. The promoters divide functional responsibilities between them for seamless management, supported by a dedicated team of qualified and experienced personnel. As of August 31, 2024, our workforce of 40 employees included, skilled and unskilled labour, administrative staff, management and operations team.

Our manufacturing unit is located at 24A, 23B, Industrial Area, A.B. Road, Dewas-455001, Madhya Pradesh, spanning approximately 12,600 square meters. As of March 31, 2024 our unit had installed capacities for manufacture of 1,20,000 MT per annum of Single Super Phosphate, 3,300 MT per annum of Zinc Sulphate and 49,500 MT per annum of NPK Granulated & Mix.

To ensure product quality, we follow testing protocol whereby our raw materials undergo quality checks. We have in-house testing laboratory, which regulates and monitors the quality of fertilizers mixer, packaging and marking on the fertilizer bags. Our laboratory is equipped with various instruments such as electronic analytical balance, pH meter, sieve shaker, muffle furnace, water distillation plant, magnetic stirrer, etc. Raw materials and finished goods are subjected to comprehensive physical and chemical tests, so that they meet the required specifications. Finished products are then packed in durable HDPE bags, to ensure safe transportation and storage

One of our key raw materials is Rock Phosphate, which is further categorized into two types, Crushed Rock Phosphate (CRP) and Beneficiated Rock Phosphate (BRP). For CRP, we rely on imports from various countries including Jordan, Morocco, Egypt and other gulf countries, which have abundant and good-quality supply. BRP on the other hand is sourced locally. Additionally, we source Sulfuric acid, a key ingredient in our manufacturing process, locally from the state of Madhya Pradesh. We select to procure our raw materials based on quality, pricing and market availability. The cost of goods sold (which is the aggregate of cost of materials consumed and changes in inventories of finished goods) accounted for 71.65%, 70.00% and 74.08% of our revenue from operations for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 respectively.

## **SUBSIDIARY**

Our company currently has a 99.98% subsidiary known as Jyoti Weighing Systems Pvt. Ltd., ("JWSPL"), as per the share purchase agreement dated October 05, 2020, was established on June 26, 1979. JWSPL manufactures weighbridges upto a capacity of 633MT. It has a facility in Dewas, adjoining to our Company's manufacturing unit.

JWSPL offers weighbridges of two types: PIT less (Surface Mounted) and PIT type (Ground Level). The PIT less design is characterized by a unique segmented structure, incorporating 7/8 long girders that evenly distribute the load on all members. This design is particularly suitable for heavy trucks with a concentrated load on the rear wheels or axles. The segmented design allows for straightforward assembly by bolting the segments to the main girders, facilitating ease of movement and relocation of weighbridges.

## KEY PERFORMANCE INDICATORS OF OUR COMPANY

(₹ In Lakhs except percentages and ratios)

KPI	For the period ended August 31, 2024	March 31, 2024	March 31, 2022	March 31, 2021
Revenue from Operations (1)	5,337.06	15,154.63	14,454.24	12,365.34
Growth in Revenue from Operations (%)	-	4.8%	16.9%	23.6%
Gross Profit (2)	1,816.85	4,296.71	4,336.63	3,205.67
Gross Profit Margin (%) (3)	34.0%	28.4%	30.0%	25.9%
EBITDA (4)	572.55	1,209.70	1,167.20	792.35
EBITDA Margin (%) (5)	10.73%	8.0%	8.1%	6.4%
PAT (6)	414.65	604.05	608.76	319.08
Growth in Profit After Tax (%)	-	-0.8%	90.8%	43.0%
PAT Margin (%) (7)	7.8%	4.0%	4.2%	2.6%
Trade Receivables Turnover Ratio (In times) (8)	1.40	4.96	4.75	4.21
Inventory Turnover Ratio (In times) (9)	1.78	17.26%	21.02%	13.96%
Trade Payables Turnover Ratio (In times) (10)	2.95	6.66	6.29	4.30
Trade Receivables days (11)	260	74	77	87
Inventory days (12)	205	89	83	67
Trade Payable days (13)	124	55	58	85
Net worth (14)	3,914.98	3,500.32	2,896.51	2,286.35
Return on equity (%) (15)	11.18%	18.89%	23.5%	15.0%
Return on capital employed (%) (16)	9.15%	16.7%	19.8%	17.3%
Debt-Equity Ratio (times) (17)	0.91	0.95	0.91	0.87
Interest Coverage Ratio (18)	4.83	3.77	4.12	2.60
Working Capital Cycle (days) (19)	341	107	102	69
Current Ratio (times) (20)	1.68	1.65	1.43	1.38

*Pursuant to certificate dated February 20, 2025 issued jointly by our Statutory Auditors Bagaria & Co. LLP, Chartered Accountants, and Mishra Rajiv Kamal & Associates, Chartered Accountants.*

### Notes:

- (1) Revenue from operation means revenue from sale of the products
- (2) Gross Profit is calculated as Revenue from operations - Cost of Material Consumed - Purchases of Traded Goods - Changes in inventories of finished goods, work in process and stock in trade
- (3) Gross Profit Margin is calculated as Gross profit divided by the Revenue from Operations
- (4) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs-Other Income
- (5) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
- (6) PAT Means Profit for the year as appearing in the Restated Consolidated Financial Statements.
- (7) PAT Margin is calculated as PAT for the period/year divided by revenue from operations
- (8) Trade receivable turnover is calculated Revenue from operation divided by average trade receivables
- (9) Return on net worth is the profit after tax divided by closing equity
- (10) Trade Payable turnover ratio is calculated Net credit Purchase divided by average trade payable
- (11) Trade receivable days is calculated as 365 divided by trade receivables turnover by for fiscal years
- (12) Inventory days is calculated as 365 \* Average inventory/ Cost of goods sold.
- (13) Trade payable days is calculated as 365 divided by Trade Payable turnover by for fiscal years
- (14) Net Worth amounts are calculated as Total Equity as per Restated Consolidated Financial Statements.
- (15) Return on Equity is calculated by Profit for the year less Preference dividend (if any) divided by average total equity
- (16) Return on Capital Employed is calculated as follows: Profit before tax plus finance cost divided by (Net Worth plus Lease liabilities plus Deferred Tax Liabilities)

(17) Debt to Equity ratio is calculated as Total Debt divided by equity

(18) Interest Coverage Ratio is given by the formula Earnings before Tax + Interest divided by Interest cost

(19) Working Capital Cycle is defined as trade receivable days plus inventory days less trade payable days

(20) Current Ratio is calculated by dividing Current assets to Current Liabilities

## DETAILS OF TOP FIVE/TEN CUSTOMERS

Top five/ten customers of our Company for the period indicated on standalone basis is provided herein below:

(₹ in Lakhs, except stated in %)

Category of customers	FY 2023-2024		FY 2022-2023		FY 2021-22	
	Amount	% of total sales*	Amount	% of total sales*	Amount	% of total sales*
Top 5 customers	2,846.75	46.74%	3,820.92	60.34%	2,612.57	54.96%
Top 10 customers	3,211.77	52.74%	4,281.80	67.62%	3,105.25	65.32%

\* Based on standalone restated financials of Balaji Phosphates Limited, exclusive of subsidies.

Pursuant to certificates dated February 20, 2025 issued by our Statutory Auditors M/s. & Company, Indore and M/s. Bagaria & Co LLP, Mumbai Chartered Accountants & M/S Mishra Rajiv Kamal & Associates.

For risk associated with respect to our customers kindly refer to Risk Factor No. 21 mentioned in Section titled 'Risk Factors' on page 25 of this Prospectus.

## DETAILS OF TOP FIVE/TEN SUPPLIERS

Top five/ten suppliers of our Company for the period indicated on standalone basis is provided herein below:

(₹ in Lakhs, except stated in %)

Category of supplier	FY 2023-2024		FY 2022-2023		FY 2021-22	
	Amount	% of total purchases*	Amount	% of total purchases*	Amount	% of total purchases*
Top 5 suppliers	5,855.92	78.01%	7,511.71	77.77%	4,864.48	71.64%
Top 10 suppliers	6,600.90	87.93%	8,753.67	90.63%	5,390.00	79.38%

\* Based on standalone restated financials of Balaji Phosphates Limited

(Pursuant to certificates dated February 20, 2025 issued by our Statutory Auditors M/S Mishra Rajiv Kamal & Associates., Indore and M/s. Bagaria & Co LLP, Mumbai Chartered Accountants

## SALES MIX AND GEOGRAPHICAL PRESENCE

### PRODUCT SALES:

(₹ in Lakhs, except stated in %)

Category	2024-25 (AUG.24)		FY 2023-2024		FY 2022-2023		FY 2021-22	
	Amount	% of total sales	Amount	% of total sales	Amount	% of total sales	Amount	% of total sales
SSP	4335.67	42.01%	11,626.42	76.72%	10,893.25	75.36%	8416.23	68.06%
NPK	17.14	0.32%	20.57	0.14%	77.62	0.54%	134.57	1.09%
ZINC SULPHATE	85.89	1.61%	165.36	1.09%	59.27	0.41%	260.44	2.11%
ZINC ASH	-	0.00%	-	0.00%	162.50	1.12%	22.76	0.18%
DAP, POTASH, UREA, GYPSUM,	-	0.00%	6.04	0.04%	-	0.00%	96.10	0.78%
FREIGHT INCOME	-	0.00%	-	0.00%	0.20	0.00%	-	0.00%
SCARP SALE	-	0.00%	-	0.00%	-	0.00%	0.03	0.00%
SERVICE INCOME	11.35	0.21%	-	0.00%	-	0.00%	-	0.00%
ROCK PHOSPHATE	15.33	0.29%	-	0.00%	-	0.00%	-	0.00%

WEIGHBRIDGE & THEIR PARTS	782.29	0.21%	3,036.30	20.04%	2,997.72	20.74%	3,204.98	25.92%
REPAIR & MAINTENANCE	89.38	1.67%	299.93	1.98%	263.69	1.82%	230.23	1.86%
<b>TOTAL</b>	5337.06	100.00%	15,154.63	100.00%	14,454.24	100.00%	12,365.34	100.00%

Pursuant to certificate dated February 20, 2025 issued jointly by our Statutory Auditors Bagaria & Co. LLP, Chartered Accountants, and Mishra Rajiv Kamal & Associates, Chartered Accountants.

## GEOGRAPHICAL SALES:

(₹ in Lakhs, except stated in %)

State	Aug-24		FY 2023-24		FY 2022-23		FY 2021-22	
	Amount (in Rs. Lakhs)	% of Total Sales	Amount (in Rs. Lakhs)	% of Total Sales	Amount (in Rs. Lakhs)	% of Total Sales	Amount (in Rs. Lakhs)	% of Total Sales
Andhra Pradesh	27.52	0.52%	29.30	0.19%	18.04	0.12%	2.97	0.02%
Arunachal Pradesh	-	0.00%	38.25	0.25%	-	0.00%	-	0.00%
Assam	3.38	0.06%	36.63	0.24%	20.76	0.14%	12.15	0.10%
Bihar	2.96	0.06%	79.24	0.52%	31.96	0.22%	77.12	0.62%
Chandigarh	-	0.00%	-	0.00%	0.08	0.00%	-	0.00%
Chhattisgarh	107.17	2.01%	180.77	1.19%	557.87	3.86%	494.83	4.00%
Delhi	5.14	0.10%	43.59	0.29%	20.50	0.14%	12.33	0.10%
Goa	0.84	0.02%	0.86	0.01%	1.71	0.01%	0.47	0.00%
Gujarat	4.63	0.09%	34.34	0.23%	66.92	0.46%	34.17	0.28%
Haryana	22.63	0.42%	148.50	0.98%	140.09	0.97%	117.45	0.95%
Himachal Pradesh	0.54	0.01%	2.92	0.02%	15.74	0.11%	1.70	0.01%
Jammu & Kashmir	0.20	0.00%	1.53	0.01%	3.25	0.02%	0.90	0.01%
Jharkhand	3.06	0.06%	39.51	0.26%	6.37	0.04%	6.81	0.06%
Karnataka	45.99	0.86%	147.21	0.97%	198.99	1.38%	199.34	1.61%
Kerala	1.20	0.02%	2.70	0.02%	29.64	0.21%	2.35	0.02%
Madhya Pradesh	3892.40	72.93%	10,494.29	69.25%	7,995.72	55.32%	6,683.83	54.05%
Maharashtra	840.52	15.75%	2,316.56	15.29%	3,930.93	27.20%	3,148.00	25.46%
Manipur	-	0.00%	-	0.00%	-	0.00%	1.08	0.01%
Meghalaya	0.09	0.00%	2.35	0.02%	9.88	0.07%	19.55	0.16%
Odisha	13.21	0.25%	21.36	0.14%	9.12	0.06%	29.70	0.24%
Punjab	0.50	0.01%	33.65	0.22%	143.07	0.99%	106.65	0.86%
Rajasthan	182.95	3.43%	233.14	1.54%	141.67	0.98%	147.41	1.19%
Tamil Nadu	13.71	0.26%	14.83	0.10%	82.23	0.57%	4.64	0.04%
Telangana	30.23	0.57%	175.00	1.15%	69.01	0.48%	233.61	1.89%
Uttar Pradesh	132.33	2.48%	1,005.00	6.63%	929.94	6.43%	970.86	7.85%



Uttarakhand	1.55	0.03%	14.74	0.10%	14.77	0.10%	18.25	0.15%
West Bengal	4.33	0.08%	56.55	0.37%	7.09	0.05%	38.59	0.31%
<b>Sub-Total</b>	<b>5337.08</b>	<b>100%</b>	<b>15,152.81</b>	<b>99.99%</b>	<b>14,445.33</b>	<b>99.94%</b>	<b>12,364.76</b>	<b>100.00%</b>
<b>Exports*</b>								
Jakarta	-	0.00%	-	0.00%	-	0.00%	0.58	0.00%
Nepal	-	0.00%	-	0.00%	4.50	0.03%	-	0.00%
Tanzania	-	0.00%	-	0.00%	4.40	0.03%	-	0.00%
Ethiopia	-	0.00%	1.82	0.01%	-	0.00%	-	0.00%
<b>Sub-Total</b>			<b>1.82</b>	<b>0.01%</b>	<b>8.90</b>	<b>0.06%</b>	<b>0.58</b>	<b>0.00%</b>
<b>Total</b>	<b>5337.08</b>	<b>100.00%</b>	<b>15,154.63</b>	<b>100.00%</b>	<b>14,454.24</b>	<b>100.00%</b>	<b>12,365.34</b>	<b>100.00%</b>

\* The exports are exclusively comprised of sales from Jyoti Weighing Systems Pvt. Ltd.

Pursuant to certificate dated February 20, 2025 issued jointly by our Statutory Auditors Bagaria & Co. LLP, Chartered Accountants, and Mishra Rajiv Kamal & Associates, Chartered Accountants.

For risk associated with our product offerings in the select States, kindly refer to risk factor No 31 mentioned in Section titled 'Risk Factors' on page 25 of this Prospectus

## CAPACITY AND CAPACITY UTILIZATION

Please find herein below the year wise installed capacity and its utilization details:

Name of the Product	1/04/2024 to 31/08/2024		
	In MTS		
	Installed Capacity	Utilised Capacity	Utilised %
SSP	120,000	26163.50	52.33
Zinc Sulphate	3,300	1148.45	83.52
NPK Granulated & Mix	49,500	150.00	0.072

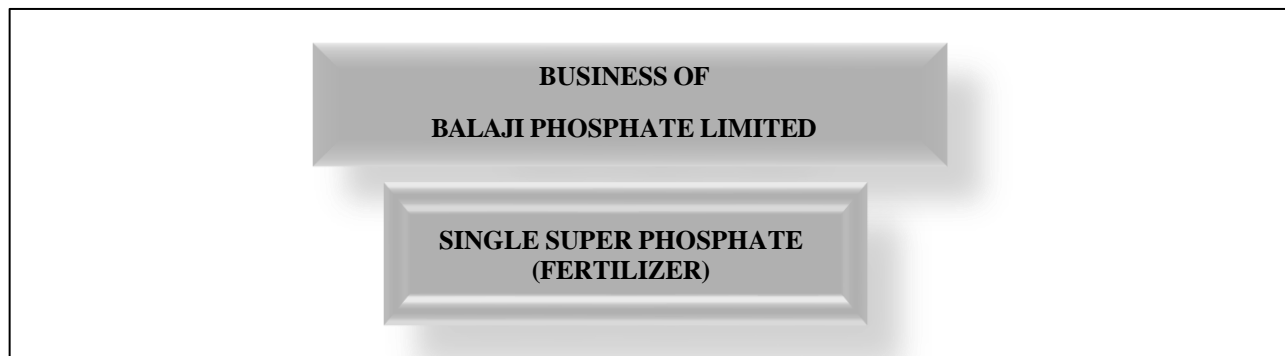
(The above details relating to Installed Capacity and Utilized Capacity are based on the certificate dated February 18, 2025 issued by Er. Manish Pathak, Chartered Engineer)

Name of the Product	FY 2023-2024			FY 2022-2023			FY 2021-2022		
	In MTS			In MTS			In MTS		
	Installed Capacity	Utilised Capacity	Utilised %	Installed Capacity	Utilised Capacity	Utilised %	Installed Capacity	Utilised Capacity	Utilised %
SSP	120,000	70,202.5	58.50%	120,000	71,620	59.68%	120,000	66,491	55.78%
Zinc Sulphate	3,300	2428	73.58%	3,300	860	26.06%	3,300	965	29.24%
NPK Granulated & Mix	49,500	28.5	0.06%	49,500	735	1.48%	49,500	1,200	2.42%

(The above details relating to Installed Capacity and Utilized Capacity are based on the certificate dated September 03, 2024 issued by Er. Manish Pathak, Chartered Engineer)

## OUR BUSINESS MODEL

We derive our revenue in Balaji Phosphates Limited from One major business vertical:



We are engaged in the manufacturing of “Single Super Phosphate” (SSP) fertilizer. It is manufactured and supplied as per the standards of Fertilizer Control Order of India in powder and granulated form as well as fortified with zinc and boron which is used by farmers. At present, the Company is marketing entire range of SSP in the state of Madhya Pradesh, Chhattisgarh, Maharashtra, Telangana and Andhra Pradesh. Our products Single Super Phosphate (SSP) and Granulated Single Super Phosphate (GSSP) replenish “P” (Phosphorous) as well as “Sulphur” in the soil and act as a nutrient for plant growth as well as improving soil health.

Our manufacturing unit is located at 24A, 23B, Industrial Area, A.B. Road, Dewas-455001, Madhya Pradesh, covering an area of approximately 12,600 sq.mt. As on March 31, 2024, our annualized manufacturing capacities for SSP was 1,20,000 MTPA, Zinc Sulphate was 3,300 MTPA and NPK Granulated & Mix was 49,500 MTPA. Before commencement of the manufacturing process, the raw material procured by our company is subjected to a quality check. Our company is equipped with in-house testing laboratory to test the raw material as well as finished product. Our in-house testing laboratory regulates and monitors the quality of fertilizers mixer, packaging and marking on the fertilizer bags. Our laboratory is equipped with various instruments like, electronic analytical balance, ph meter, sieve shaker, muffle furnace, and water distillation plant, magnetic stirrer, etc. The raw material and finished goods are also subjected to various physical and chemical tests so that they meet the required specifications. The finished products are securely packed in HDPE bags.

## MANUFACTURING FACILITIES

Manufacturing Plant of our company situated at:

Product Manufacturing	Location
a) Single Super Phosphate (Fertilizer)	23B, 24A Industrial Area No.1, A.B. Road, Dewas-455001, Madhya Pradesh



FOUR STAGE VENTURY AND SCRUBING SYSTEM



FOUR STAGE VENTURY AND SCRUBING SYSTEM



ACID STORAGE TANK



WATER TREATMENT PLANT



DEN



GREEN MATERIAL BELT



ROCK STORAGE TANK



FULL VIEW OF S.S.P. PLANT



BALL MILL



CHIMNEY




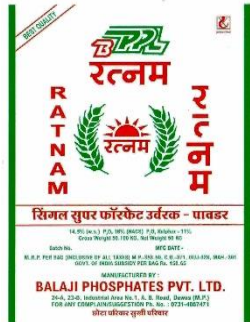
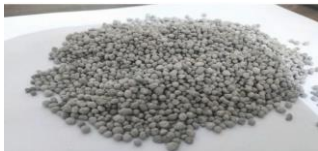

## OUR PRODUCTS

### 1. Single super phosphates (SSP)

SSP is manufactured by reacting mineral rock phosphate with sulphuric acid. This process converts insoluble phosphate molecules in rock phosphate powder into soluble forms, enabling agricultural plants to absorb easily. Single Super Phosphate (SSP) is used by farmers to improve the productivity levels of their soil which gets depleted with every crop each year. SSP is primarily used as a source of phosphorous (P) in agricultural soils. Phosphorous is an essential nutrient for plant growth and development, playing a vital role in energy transfer, root development, flowering, and fruiting.

SSP effective in improving soil fertility, especially in soils that are deficient in phosphorous. It helps replenish phosphorus levels, ensuring a balanced nutrient profile in the soil. It is commonly used during seeding establishment or transplanting. By incorporating SSP into the soil or applying it in the planting hole, young plants receive a boost of phosphorous that aids in early root development and establishment. This promotes stronger and healthier seedlings, leading to improved crop performance. SSP is particularly beneficial in acidic soils, where phosphorus availability is often limited due to chemical reactions that bind phosphorus to soil particles. SSP contains sulfur, which can help acidify alkaline soils, making phosphorus more accessible to plants. This dual benefit of phosphorus and sulfur makes SSP a valuable fertilizer for crops grown in such conditions.

**Application:** SSP is chemically stable fertilizer having long shelf life which is beneficial to the farmers to use at their convenience and requirements.

Product Image	Product Packaging
<p><b>SSP (POWDER)</b></p>  <p>PSSP contains P<sub>2</sub>O<sub>5</sub> (AVAILABLE) 16% minimum, P<sub>2</sub>O<sub>5</sub> Water Soluble 14.5% minimum, Sulphur (S) 11% minimum, Moisture 12% maximum, Free Phosphoric Acid 4% maximum</p>	
<p><b>SSP (GRANULAR)</b></p>  <p>GSSP contains P<sub>2</sub>O<sub>5</sub> (AVAILABLE) 16% minimum, P<sub>2</sub>O<sub>5</sub> Water Soluble 14.5% minimum, Sulphur (S) 11% minimum, Moisture 5% maximum, Free Phosphoric Acid 4% maximum</p>	

<p><b>ZINCATED SSP (POWDER)</b></p>  <p>Contains P2O5 Water Soluble (WS) 14.5% minimum, P2O5 (NACS) 16% minimum, Sulphur (S) 11% minimum, Zinc (Zn) 0.5% minimum</p>	
<p><b>ZINCATED SSP (GRANULAR)</b></p>  <p>Contains P2O5 Water Soluble (WS) 14.5% minimum, P2O5 (NACS) 16% minimum, Sulphur (S) 11% minimum, Zinc (Zn) 0.5% minimum</p>	
<p><b>BORONATED SSP (POWDER)</b></p>  <p>Contains P2O5 Water Soluble (WS) 14.5% minimum, P2O5 (NACS) 16% minimum, Sulphur (S) 11% minimum, Boron (B) % By weight maximum 0.15% to 0.20%</p>	
<p><b>BORONATED SSP (GRANULAR)</b></p>  <p>Contains P2O5 Water Soluble (WS) 14.5% minimum, P2O5 (NACS) 16% minimum, Sulphur (S) 11% minimum, Boron (B) % By weight maximum 0.15% to 0.20%</p>	

<p><b>FORTIFIED WITH ZINC AND BORON SSP (GRANULAR)</b></p> <p>Contains P<sub>2</sub>O<sub>5</sub> Water Soluble (WS) 14.5% minimum, P<sub>2</sub>O<sub>5</sub> (TOTAL) 16% minimum, Sulphur (S) 11% minimum, Moisture 5% maximum, Zinc (Zn) 0.5% minimum, Boron (B) 0.2% minimum</p>	
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## 2. Zinc Sulfate

Zinc sulfate is primarily used to correct zinc deficiencies in soils. Zinc deficiency is particularly common in alkaline soils, sandy soils, and soils with high phosphorus or iron content. Applying zinc sulfate helps increase zinc levels in the soil, making it more available for plant uptake. This correction promotes proper plant growth, improves crop yield, and enhances overall plant health.


Product Image	Product Packaging
<p><b>ZINC SULPHATE 21%</b></p> <p>Contains Zinc Sulphate Heptahydrate 21% Zn (<math>\text{ZnSO}_4 \cdot 7\text{H}_2\text{O}</math>)</p>	
<p><b>ZINC SULPHATE 33%</b></p> <p>Contains Zinc Sulphate Mono Hydrate 33% Zn (<math>\text{ZnSO}_4 \cdot \text{H}_2\text{O}</math>), and Purity 95%</p>	

## 3. NPK granulated and mix fertilizer

NPK Granulated & Mix fertilizers are popular and widely used in agriculture because they provide a balanced combination of essential nutrients: nitrogen (N), phosphorus (P), and potassium (K). These three primary macronutrients are crucial for plant growth and development.

**Nitrogen (N)** promotes vigorous vegetative growth and enhances leaf development.  
**Phosphorus (P)** supports root development, flowering, and fruiting.  
**Potassium (K)** contributes to overall plant health, disease resistance, and efficient water use.

By using NPK Granulated & Mix fertilizers, farmers can ensure that their crops receive a well-rounded supply of essential nutrients leading to optimal growth, improved productivity, and better crop yields. We produce and market NPK Granulated & Mix fertilizers under the “RATNAM” brand in various grades including Grades- 12:32:06, 15:05:05, 16:30:10, 17:17:17, 20:20:00 and 10:20:10.

Product Image	Product Packaging
<b>N.P.K Granulated and MIX FERTILIZERS</b>  Grades- 12:32:06, 15:05:05, 16:30:10, 17:17:17, 20:20:00 and 10:20:10	

## OUR COMPETITIVE STRENGTHS

### A. Long standing in fertilizer trade

We have extensive experience in the fertilizer industry, with demonstrated manufacturing capability coupled with an ability to carefully choose quality dealers, ensuring our products are well-represented in the market. Additionally, our competitive pricing strategies have been refined over the years, allowing us to meet customer needs while maintaining profitability. Our market reputation also grants us influence over raw material suppliers, enabling us to secure favorable terms and maintain the integrity of our supply chain.

### B. Wide spread network

We have presence in regions such as Madhya Pradesh, Chhattisgarh, Maharashtra, Andhra Pradesh and Telangana. Our longstanding presence in these states reflects our commitment to serve a diverse customer base and our ability to adapt to various regional requirements.

### C. Locational Advantage

The strategic location of our factory within the Dewas industrial area, situated in the heart of Madhya Pradesh, provides us with a competitive advantage. This centralized positioning aligns with the significant demand for our products in the adjoining regions, minimizing outward freight costs and enhancing our cost-efficiency. It allows us to serve our key markets efficiently and respond promptly to customer needs, contributing to our overall competitiveness in the fertilizer manufacturing industry.

### D. Long standing and experienced management team

Our organization is backed by a dedicated team of qualified professionals and a seasoned management team with expertise in the relevant domains. At the helm is our Director, Mr. Mohit Airen, who brings a modern and results-driven approach to business management. Mr. Mohit Airen, has a background in commerce with a Master of Business Economic and a diploma in software applications.

Our Director, Mr. Alok Gupta, holds a postgraduate degree in commerce, further enriching our leadership team with his academic and practical knowledge in the field. Together, our management team is committed to steering the company towards continued success and growth.

### E. Quality Assurance

Having an in-house testing laboratory is a significant advantage for our company as it allows us to maintain quality control over our products. Our laboratory is equipped with a range of essential instruments, including electronic analytical balances, pH meters, sieve shakers, muffle furnaces, water distillation plants, and magnetic stirrers, to conduct various physical and

chemical tests. This capability enables us to regulate and monitor the quality of our fertilizer mixtures, as well as the accuracy of packing and labeling on our fertilizer bags. We thoroughly test both raw materials and finished products to ensure they consistently meet the required quality standards and relevant chemical composition, providing our customers with confidence in the excellence of our products.

## **OUR BUSINESS STRATEGIES:**

### **1. Optimizing Operational Efficiency**

Our current operational capacity utilization stands at 58.5%, 73.58%, and 0.06% for SSP, Zinc Sulphate, and NPK mix fertilizer, respectively, highlighting a significant untapped potential within our plant. As part of our ongoing commitment to optimizing resource utilization, the Company continuously strives to improve our manufacturing processes. Regular analysis of our existing policies enables us to identify and address bottlenecks in the manufacturing process, improving efficiency and maximizing the use of resources.

Historically, the company has demonstrated its ability to increase installed capacity for its products. For example, we have previously expanded the production capacity for Zinc Sulphate and NPK mix fertilizer in response to growing market demand, ensuring that we remain well-positioned to meet customer needs. This track record of capacity expansion supports our ongoing efforts to enhance efficiency and capitalize on the potential of our operations.

### **2. Modernization and upgradation of our technology**

To remain competitive in the fertilizer industry, we are committed to investing in modern technologies. As new advancements in manufacturing processes emerge, we are modernizing our operations. This includes replacing outdated equipment with more durable and efficient alternatives, such as upgrading our scrubber, chimney, and feed hopper assembly line from metal-based materials to FRP grade fiber material. These investments will not only improve our manufacturing efficiency but also ensure the continued quality and safety of our products.

### **3. Inventory Management Enhancement**

By investing in an EOT crane and building a warehouse, our company can significantly enhance its inventory management capabilities. The EOT crane will streamline material handling, reducing processing time and improving overall efficiency. The warehouse will allow us to strategically store finished goods during periods of low demand, ensuring a consistent supply to meet peak season requirements. This integrated approach will optimize inventory levels, minimize stockouts, and reduce costs associated with expedited production.

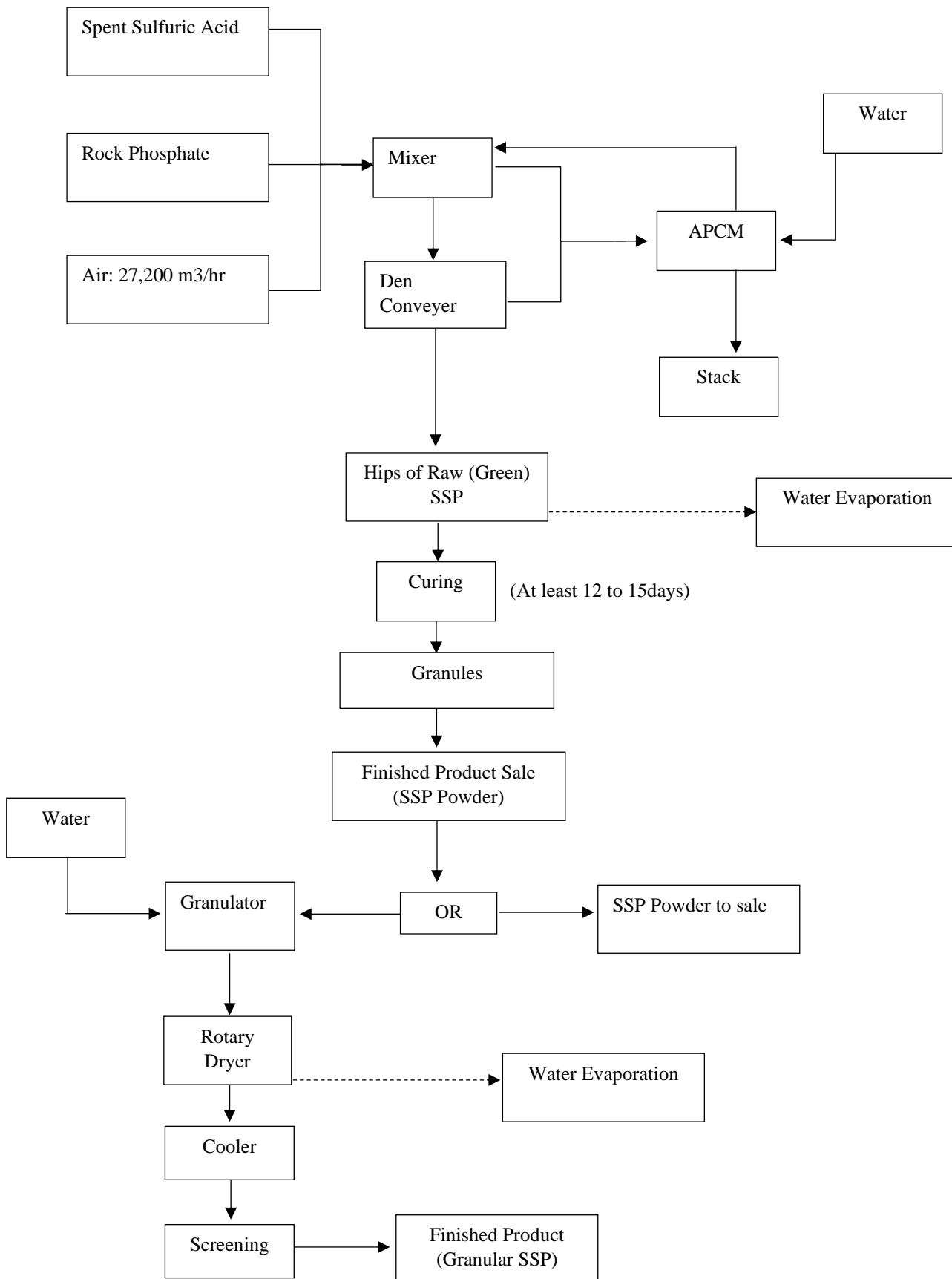
## **PROCUREMENT PROCESS:**

Our procurement process for raw materials involves sourcing both domestically and internationally. Rock phosphate, a key ingredient in SSP and GSSP, is both procured domestically and imported from countries such as Jordan, Morocco, Egypt, and Gulf states. Additionally, we procure beneficiated rock phosphate (BRP) locally. Another essential raw material, sulfuric acid, is sourced from local suppliers in Madhya Pradesh.



## A. SINGLE SUPER PHOSPHATE (SSP)–

### MANUFACTURING PROCESS:



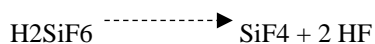
## MANUFACTURING PROCESS IN DETAIL

### 1. Single Super Phosphate

Single Super Phosphate (SSP) is produced by the reaction of phosphate rock which serves as the raw material with sulfuric acid. This reaction converts the insoluble (tribasic) form of calcium phosphate into a soluble (monobasic) form. The calcium phosphate remains in the product and contributes to the fertilizer. SSP contains about 16% total phosphorus pentoxide ( $P_2O_5$ ) and approximately 14.50% water-soluble phosphorus pentoxide ( $P_2O_5$ ) equivalent.

The chemical reaction between acid and phosphate rock generates a significant amount of steam, which can carry fine particulates of phosphate rock and acidic gases. Many of these gases originate from impurities in the rock. A major issue in the SSP production process is the evolution of fluorine-containing gases. This problem arises from the fluoride and silicon impurities present in the phosphate rock. These elements react with water to form fluorosilicic acid ( $H_2SiF_6$ ). Any excess silicon dissolves in the acid to form silicic acid ( $SiO_2 \cdot H_2O$ ). Typical phosphate rock contains about 8% silica and 3% fluorine by weight.

The temperature condition in the den causes a partial dissociation of fluorosilicic acid, according to the following chemical equation-



Both  $SiF_4$  and  $HF$  are gases at ambient temperature and pressure and collected by the Den Scrubbing System. The fluoride evolution is 25% of the fluoride in the rock, increasing with increased sulfuric concentration.  $SiF_4$  hydrolyses to form Silica that potentially could present maintenance problem; within the scrubbing so simple void spray towers and pigtail nozzles are preferred, often with once through flow of scrubbing water. During the curing process there are further fluoride losses, the amount depending upon reaction time in the Den. The gas generated is passed through various pollution control system.

The operation of a super phosphate in Den, once the correct ratio of acid and rock has been established, is entirely automatic, and only the minimum amount of attention is needed.

### 2. Curing and Storage

The semi-finished goods, Green Super Phosphate will be kept in green SSP curing yard. The material is directly discharged over green super belt, by den and set of cross and inclined belt.

### 3. Granules

The dried granules are sent through conveyor and are screened for oversize and undersize in screens and finished product is collected and sent for packaging and stored for further selling. The oversized and undersized granules are collected and crushed to powder online using jaw crusher and recycled back to granulation drum using elevator. Conveyor is installed for conveying the discharge of green super belt over the shuttle belt conveyor. The shuttle belt is used for heaping green super phosphate at different locations in curing go- down. The green super phosphate after approval from QCD (Quality Control Department) for quality, is shifted to NPK/granulated/powder packing section for captive consumption. material required for captive consumption is shifted to NPK plant/granulation plant or powder packing section.

#### 4. Product Packing Storage

The material for direct sale as single super phosphate in granular or powder form is processed material is shifted to granulation plant for converting the powder into granules of desired size and packed in HDPE bags and kept in godown for dispatch to dealers. Material to be sold in powder form is screened in a rotary screen and fine powder is fed into packing hopper for packing. The oversize grid is shifted to granulation plant for use after crushing in chain/hammer mill.

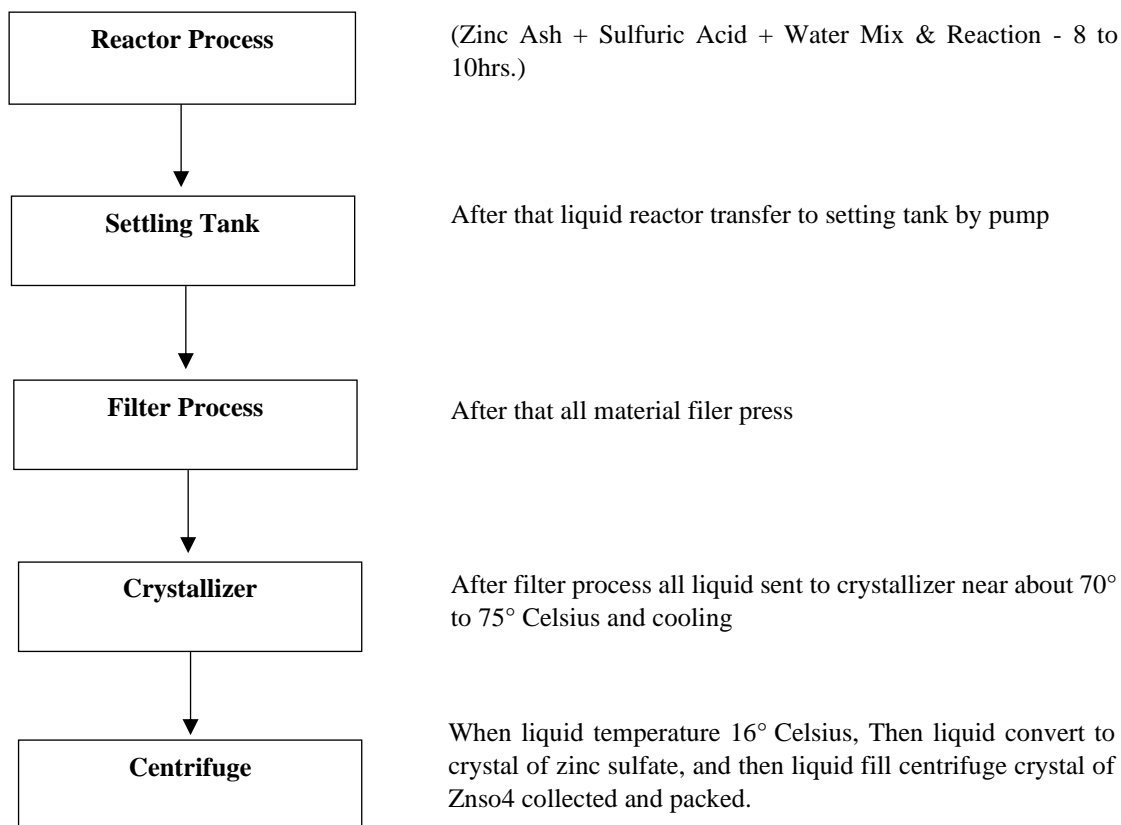
The screened material is filled in bags and stitched after weighing and kept in day stores. The day store's material is shifted to product after quality check.

#### 5. Quality Control Laboratory

We have a quality control laboratory, which regulates and monitors the quality of fertilizer mixtures. It is equipped with various instruments like electronic analytical balance, pH meter, Sieve Shaker, Muffle Furnace, Vacuum Lamp, Water Distillation Plant, Heating Mantle, Spectrophotometer, and other.

### B. ZINC SULFATE

#### Manufacturing Process

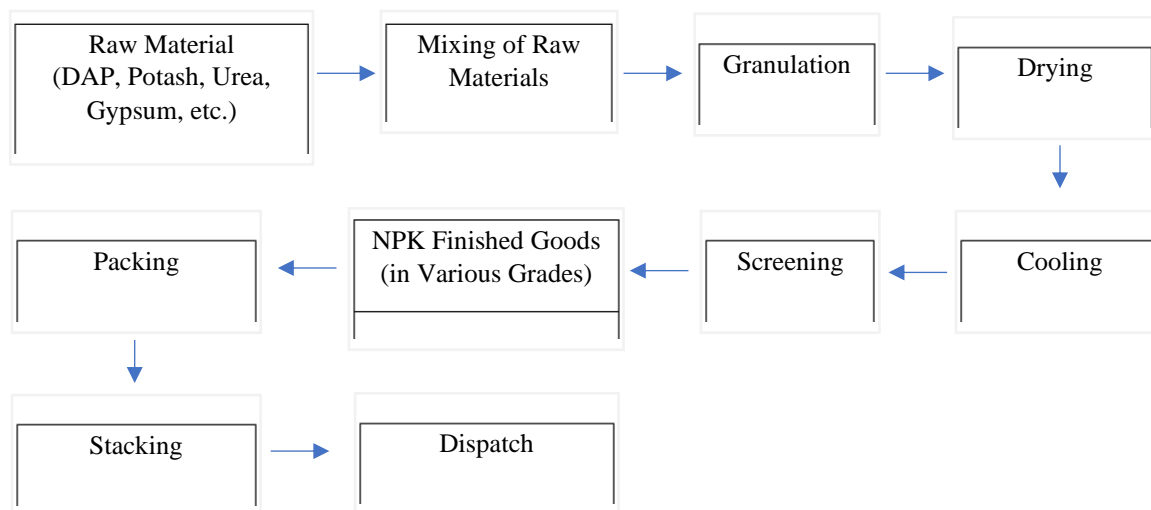


#### DETAILED EXPLANATION:

- Zinc ash is combined with sulfuric acid and water in a reactor, initiating a chemical reaction that lasts 8 to 10 hours, resulting in a zinc sulfate solution.
- The solution is transferred to a settling tank, where solid impurities settle out, allowing the clear zinc sulfate solution to be separated.
- The clear solution undergoes filtration through a filter press to remove any remaining solid particles, ensuring further purification.
- The filtered solution is moved to a crystallizer, where it is heated to 70 to 75 degrees Celsius, and then slowly cooled. This cooling process promotes crystallization of zinc sulfate as the temperature drops to around 16 degrees Celsius.
- Zinc sulfate crystals are separated from the liquid using a centrifuge, then dried and packaged for distribution.
- The process ensures efficient production of high-quality zinc sulfate, suitable for various industrial applications.

### C. N.P.K MIX FERTILIZERS

#### Manufacturing Process:



#### DETAILED EXPLANATION:

##### 1. Raw Material Preparation:

Urea, phosphate, and potash are mixed in specific ratios according to the desired N.P.K composition.

##### 2. Granulation:

The mixed raw materials are transferred to a granulator drum. The drum rotates and the mixture is formed into granules.

##### 3. Drying:

The granules are conveyed to a dryer drum. Hot air is passed through the drum to harden the granules.

##### 4. Cooling:

The dried granules are transferred to a cooling drum to reduce their temperature.

##### 5. Screening:

The cooled granules are screened again to ensure consistent quality and particle size.

#### **6. NPK Finished Goods (Various Grades):**

The finished N.P.K fertilizer is available in various grades to meet different agricultural needs. The grades are determined by the specific ratios of nitrogen, phosphorus, and potassium.

#### **7. Packaging:**

The screened granules are conveyed to a packaging hopper. The granules are filled into 50 kg bags. The bags are stitched and stored in a godown for distribution.

#### **8. Stacking and Dispatch:**

The packaged fertilizer bags are stacked in a systematic manner in the godown. The products are dispatched to customers according to orders and transportation schedules.

### **SALES PROCESS:**

Initially, purchase entries are recorded on the IFMS portal, followed by production entries. Subsequently, products are dispatched to wholesalers and retailers, with entries are logged accordingly. We basically serve two main categories of customers: wholesalers and retailers.

Wholesalers confirm their purchases using POS machines, from which they later distribute products to retailers. At the retail level, sales to end users (farmers) are acknowledged via POS machines, which also capture thumbprints for authentication.

The subsidy calculation is automated within the IFMS portal, and once validated, subsidies are transferred directly to our bank account. This cycle occurs on a weekly basis, structured around specific date ranges: 1-7, 8-15, 16-23, and the month-end date.

Overall, this systematic approach ensures efficient subsidy management and transparent transactions across the fertilizer supply chain, benefiting both the company and our customers

Our selling strategy for retailers is multifaceted and involves the following key approaches:

#### **9. Cold Calling & Personal Networking:**

We engage in cold calling and leverage personal networking and try to initiate contact with potential retail clients and engage with them to effect sales by generating leads. This approach is complemented by a strong team of sales and marketing team along with agents on street to convert the leads generated through cold calling and personal network into sales and also focus on building long-term relationships with retailers, which will help us to get repeated orders.

#### **2. Referrals through existing Relationship**

A significant portion of our sales is driven by word-of-mouth referrals from existing retailer (Farmer), Sarpanch (Mukhiya), Gram Panchayat committee members, Committee members of various societies and NGO's and farmer education programmes conducted by government and bank who in turn promote our product to farmers , and our partners. Our reputation in the market, built over years has helped foster trust and credibility which helps us attract new retail clients and created repeated sales through the said clients.

#### **3. Sales Platforms:**

We leverage online platforms by listing ourselves as suppliers of fertilizers on portal of Madhya Pradesh Governments markfed, to connect with retailers. We explore digital tools to engage with potential clients and promoter our products by showcasing on our website.

## GOVERNMENT SUBSIDY

Cabinet approves Nutrient Based Subsidy (NBS) rates for KHARIF Season, 2024 (from 01.04.2024 to 30.09.2024) on Phosphatic and Potassic (P&K) fertilizers and Inclusion of 3 new Fertilizer grades under NBS scheme.

The Union Cabinet chaired by Prime Minister Shri Narendra Modi approved the proposal of the Department of Fertilizers for fixing the Nutrient Based Subsidy (NBS) rates for KHARIF Season, 2024 (from 01.04.2024 to 30.09.2024) on Phosphatic and Potassic (P&K) fertilizers and inclusion of 3 new fertilizer grades under NBS scheme. The tentative budgetary requirement for Kharif season 2024 would be approximately Rs.24,420 crore.

### Nutrient Based Subsidy (NBS) Policy

Government is making available 25 grades of P&K fertilizers to farmers at subsidized prices through fertilizer manufacturers/importers. The subsidy on P&K fertilizers is governed by NBS Scheme w.e.f 01.04.2010. In accordance with its farmer friendly approach, the Government is committed to ensure the availability of P&K fertilizers to the farmers at affordable prices. In view of the recent trends in the international prices of fertilizers & inputs i.e. Urea, DAP, MOP and Sulphur, Government has decided to approve the NBS rates for Kharif 2024 effective from 01.04.24 to 30.09.24 on Phosphatic and Potassic (P&K) fertilizers. Government has also decided to include 3 new Fertilizer grades under the NBS scheme. The subsidy would be provided to the fertilizer companies as per approved and notified rates so that fertilizers are made available to farmers at affordable prices.

The subsidy on P&K fertilizers will be provided based on approved rates for Kharif 2024 (applicable from 01.04.2024 to 30.09.2024) to ensure smooth availability of these fertilizers to the farmers at affordable prices.

Sr. No	Nutrients	NBS (₹ per Kg)
1	Nitrogen (N)	47.02
2	Phosphatic (P)	28.72
3	Potassic (K)	2.38
4	Sulphur (S)	1.89

The subsidy on phosphatic fertilizers has been increased to ₹28.72 per kg for the 2024 Kharif season from ₹20.82 per kg in the 2023 Rabi Season.

### BENEFITS:

- Availability of fertilizers to farmers at subsidized, affordable and reasonable prices will be ensured.
- Rationalization of subsidy on P&K fertilizers in view of recent trends in the international prices of fertilizers and inputs.
- Inclusion of three new grades in NBS will support in promoting balanced soil health and offer alternatives to the farmers to choose fertilizers fortified with micro-nutrients as per the soil requirement.

(Source: [pib.gov.in](http://pib.gov.in))

The basic purpose of the Concession Scheme and Nutrient Based Subsidy Policy has been to provide fertilizers to the farmers at the subsidized prices. Initially, the ad-hoc Concession Scheme was introduced for subsidy on DAP, MOP, NPK Complex fertilizers. This scheme was also extended to SSP from 1993-94. Concession was disbursed to the manufacturers/importers by the State Governments during 1992-93 and 1993-94 based on the grants provided by Department of Agriculture & Cooperation. Subsequently, DAC started releasing payment of concession to the fertilizer companies based on the certificate of sales issued by the State Governments on 100% basis.

Currently Nutrient Based Subsidy Policy monitoring is done by IFMS portal (Integrated Fertilizer Management System). We utilise the IFMS portal (Integrated Fertilizer Management System) for subsidy monitoring and management.

## IMMOVABLE PROPERTIES

### Properties of Balaji phosphates limited

Sr. No.	Details	Nature	Address	Tenure	Uses
1	Lease deed dated October 21 2008 between District Industrial Centre ("Lessor") and Balaji Phosphates Limited ("Lessee")	Lease	23B-24A, Industrial Area No.1 A B Road, Dewas, 455001 (Madhya Pradesh)	30 Years	Industrial
2	Rental Agreement dated September 01, 2024 between Divyajyoti Agritech Pvt. Ltd. and our company	Rent	305, Utsav Awanue, III <sup>rd</sup> Floor, 12/5, Ushaganj Jaora Compound, Indore G.P.O., Indore (Madhya Pradesh) - 452 001	11 months	Registered office

## INSURANCE POLICIES OF OUR COMPANY

We have taken insurance policies with various insurance companies covering the risks in relation to our business and our people.


### The policy details are as under:

Sr. No.	Name of Insurer	Type of Policy	Validity	Policy No.	Sum Insured (₹)	Premium P.A (₹)
1.	ICICI Lombard	Fire Insurance	17/09/2024 to 16/09/2025	1021/36011866 7/00/000	19,00,79,358/-	1,48,230/-
2.	Tata AIG Insurance	Auto Secure-Private Car Package Policy	30/08/2024 to 29/08/2025	620189070201 00	7,80,000/-	14,580/-
3.	IFFCO-TOKIO General Insurance Co. Ltd.	Group personal accident Policy	24/08/2024 to 23/08/2025	220788926	82,00,00,000/-	66,051/-
4.	ICICI Lombard	Burglary Policy	17/09/2024 to 16/09/2025	4002/36011867 6/00/000	11,00,79,358/-	5,339.50

No claims have been filed with any insurance provider over the past three financial years, and there have been no instances where the insurance coverage was exceeded or utilized for claim purposes.

## INTELLECTUAL PROPERTY DETAILS

We regard our intellectual property as one of the most important factors in contributing to our success, and our intellectual property rights arising from confidentiality agreements relating to our database, website content and technology.

Sr. No.	Logo	Class	Trademark Type	Owner of Trademark	Application No.	Date of application	Status
1		1	Device	M/S. Balaji Phosphates Private Limited	1977145	09/06/2010	Registered

## UTILITIES AND INFRASTRUCTURE FACILITIES

### Manufacturing Facility:

We are operating from our unit located at 23B, 24-A, A.B,Road, Industrial Area No 1, Dewas - 455001 (Madhya Pradesh) for manufacturing Phosphate Fertilizers.

### Registered office:

305 Utsav Avenue, 3<sup>rd</sup> Floor, 12/5 Ushaganj jaora compound, Indore G.P.O., Indore 452001 (Madhya Pradesh)

### Water:

Currently the total requirement of water is ~100KL per month which is available from borewells and tubewells in a sufficient quantity.

### Power:

We have Contract demand 250 KVA for power supply from M.P. Paschim Kshetra Vidyut Vitran Co. Ltd. (“MPPKVVCL”) which is sufficient to meet our present requirements.

### Fuel:

Presently, we require ~13MT of coal for our manufacturing process. It is available locally and it is sufficient to meet our present requirements.

## RAW MATERIAL

Currently, the raw materials are sourced from local markets as well as imported from various countries, including Jordan, Morocco, Egypt, and other Gulf countries.

The required raw materials for manufacturing Single Super Phosphate (SSP) in powder form and Granulated Single Super Phosphate (GSSP) are as follows:

### A. Rock Phosphate

We are using two types of rock phosphate material.

- CRP (Crushed Rock Phosphate):** We procure CRP domestically and material directly from various countries such as Jordan, Morocco, Egypt and other gulf countries



ii. **BRP (Beneficiated Rock Phosphate):** The BRP material is primarily sourced from domestic supplier.

#### B. Sulfuric Acid

iii. The Sulfuric acid which is one of the raw materials for the manufacturing of fertilizers is sourced from local markets in Madhya Pradesh

### PLANT AND MACHINERIES

Details of Plant and Machinery in Fertilizers Vertical:

These assets are fully under the ownership and control of the company, and no portion of the plant and machinery is subject to third-party lease agreements

Sr. No.	Single Super Phosphate	NPK Mix	Zinc Sulphate
1	RM Hopper	RM Hopper	Reactor
2	RM Belt	RM Belt	Mud Washer
3	Ball Mill	Feeding Belt	Settling
4	Scruve Convere No-1	Granulation Drum	Filter
5	Elevetor No-1	Dryer Drum	Crystlizer No-1
6	Sallow	Oil Furness	Crystlizer No-2
7	Scruve Convere No-2	Dc Belt No-1	Centifuge No-1
8	Elevetor No-2	Dc Belt No-2	Centifuge No-2
9	GR HOPPER	Cooler Drum	Mother Liquid Tank
10	Feeding Belt	Over Size Screen Belt	Amonia Compressure
11	Mixer	Over Size Screen	Condansure
12	Den	Under Size Screen	Chilling Tank
13	Green Belt	Recycle Belt No-1	Mono Dryer
14	Settle Belt	Recycle Belt No-2	Scruve Convere
15	Ventury	Production Hopper	Boiler
16	Tower (Scrubbing)	Production Belt	Mono Dryer Fan
17	Cyclone (Scrubbing)	Dryer Cyclone	Mono Dryer Chimney
18	ID FAN	Cooler Fan	Boiler Chimney
19	Chimney	Chimney	
20	Acid Storage Tank-3	Cooler Cyclone	
21	Acid Service Tank-2		
22	Water Tank -1		
23	ETP		

### REQUIRED LICENSES

The Company has all the required licenses and permission from government, such as factory license, Pollution control clearance, GST registration, Bureau of Indian Standards, DIC registration as MSME and Permission from Agricultural departments of various states to produce and sell the products it manufactures.

## HUMAN RESOURCE

Our management team is experienced and based on their understanding of industry trends, they help the Company exploring and capitalising new opportunities for business growth.. The company carries out regularly the assessment of specific skill-sets, interests and background that would be an asset for its kind of business. The manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Apart from permanent employees, we also employ contractual labour for our manufacturing activities.

The Trend in the attrition rate of employees of the company over the period of the last 3 financial years is as follows:

Particulars	Financial Year 2023-24	Financial Year 2022-23	Financial Year 2021-22
Attrition Rate	5%	5.98%	7.48%

### Employee Training:

We conduct employee training on a quarterly basis. Our training programs are designed to enhance employee skills, improve performance, and ensure alignment with the company's evolving needs. These training initiatives cover various areas, including technical skills, soft skills, leadership development, and product knowledge

"Our management team is experienced and based on their understanding of industry trends, they help the Company exploring and capitalising new opportunities for business growth."

As on August 31, 2024 we have the total 40 Employees (excluding contractual labour), for which bifurcation is provided below:

Sr. No	Category of Employees	No. of Employees
1	Accounts	05
2	Office and Admin	06
3	Marketing	12
4	Plant	13
5	Miscellaneous	04
	<b>Total</b>	<b>40</b>

## OUR MARKET

We market our products through two channels.

### A. Through MARKFED (MP state co-operative Marketing Federation Limited) tender offer:

Presently, the Company markets its product through tender of MARKFED (An undertaking of M.P. Government). The MARKFED sells our products through their agriculture societies spread all over Madhya Pradesh and Chhattisgarh.

### B. Through Different dealers:

We offer our products through the network of wholesalers and retailers spread over Madhya Pradesh, Chhattisgarh, Maharashtra and Telangana.

Details of Number of Wholesalers in last three Financial Years are as follows

State	Financial Year 2023-24	Financial Year 2022-23	Financial Year 2021-22
Chhattisgarh	7	26	29
Madhya Pradesh	66	49	58
Maharashtra	19	30	33
Telangana	0	0	4

Fertilizers are essential for agriculture industry as they replenish the nutrients in the soil that are depleted by successive crop harvests. They provide vital elements like nitrogen, phosphorus, and potassium, which promote plant growth, enhance crop yields, and improve the overall quality of agricultural produce. Farmers remain the end users as they apply fertilizers to their fields to ensure optimal soil health and maximize crop productivity.

## **EXPORT AND EXPORT OBLIGATION**

As on the date of this Prospectus, we do not have any export obligations.

## **COMPETITION**

In a fiercely competitive market with numerous players, we have consistently thrived by navigating challenges effectively. Customer decisions to purchase our products—Single Super Phosphate (SSP) in both powder and granulated forms, NPK Granulated and Mixed Fertilizers, and Zinc Sulphate—are primarily driven by two key factors: product quality and pricing. Our competition comes not only from peers within similar business divisions but also from strong regional, national, and international players, as well as from unorganized markets.

With over two decades of industry experience, we remain committed to delivering good-quality products that meet the evolving demands of our customers.

The competitive landscape spans from small-scale enterprises to large-scale operations. Our unwavering focus on quality positions us advantageously within this dynamic market. However, low entry barriers in the industry make it vulnerable to capacity expansions by existing producers, potentially further intensifying competition.

## **COLLABORATIONS, ANY PERFORMANCE GUARANTEE OR ASSISTANCE IN MARKETING BY THE COLLABORATORS**

Our Company has not entered into any collaboration, or performance guarantee or assistance for marketing with any Company.

## **MARKETING AND DISTRIBUTION**

Our company's success is driven by our strong marketing and sales network. We prioritize building and maintaining relationships with our customers, leveraging our team's expertise and experience. Timely and good quality work order deliveries are crucial for establishing and expanding our business. For marketing our products, we market it through private dealers and through Marketing federation (institutional sales).

Under the supervision of Mr. Mohit Airen and Mr. Alok Gupta - Promoter Directors, our marketing team actively generates new business through various strategies, including tender applications, cold calling, personal networking, and building relationships within the industry. We receive work orders from both existing and potential clients, primarily through word-of-mouth referrals and active participation in industry tenders.

Our management and promoters are committed to delivering exceptional service and meeting customer expectations. This dedication ensures strong client relationships and a positive reputation.

We distribute our products majorly across Five (5) states in India through various private and institutional channels. For instance, in states such as Madhya Pradesh, Chattisgarh and Telangana, we supply our products to marketing federations in co-operative channels.

### **Environment, Health and Safety**

We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted an Integrated Management System Policy (“**IMS Policy**”) that is aimed at improving our performance in safety, health, environment protection, energy conservation, quality of our products and services throughout our operation and product life cycle. We aim to minimize the adverse impact of our products and activities on the environment, maintain ecological balance and protect the bio-diversity near our manufacturing facility. Further, we aim to comply with legislative requirements, requirements of our licenses, approvals, various certifications and ensuring the safety of our employees and people working at our manufacturing facility or under our management.

We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and our employees. We have implemented work safety measures to ensure a safe working environment at our facilities. We have conducted safety programs at our facilities. Our safety department routinely conducts safety inspection and our plant is periodically inspected by CIG (Factory Directorate). In addition, Our Company also conducts mock fire and safety drills as a part of the disaster management plan. We have also installed fire detection systems such as optical smoke detectors and response indicators.

In addition, we are subject to extensive environmental laws and regulations in India, including regulations relating to prevention and control of water pollution and air pollution, environmental protection, hazardous waste management and noise pollution, in relation to our manufacturing facility. These laws and regulations govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from our operations, and any failure to comply with the applicable laws and regulations may subject us to penalties and may also result in the closure of our manufacturing facility.

We undertake various initiatives on clean technology, energy efficiency, renewable energy and water conservation to address global environment issues such as climate change and global warming. We have adopted “zero” effluent discharge. We have also taken various measures such as installed bag filters at transfer points, constructed new gypsum pond, installed waste composter at our canteen, installed online ambient air quality and stack and effluent monitoring systems.

## 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 section titled “Government and Other Approvals” on page 293.*

### **INDUSTRY SPECIFIC LEGISLATIONS**

#### **The Fertilizer (Control) Order, 1985**

The Government of India has passed the Fertilizer (Control) Order, 1985 (Order ‘) under the powers conferred to it under Section 3 of the Essential Commodities Act, 1955. As per the provisions of this Order, the Government of India has wide powers to regulate the trade in fertilizers across India. As per the Order, no person shall sell or carry on the business of selling fertilizer without obtaining prior permission of the State Government. The State Government has the power to issue license for trading in fertilizers for a period of three years, which may be renewed, suspended or cancelled at its discretion. Further, the State Government also has the power to issue a certificate of manufacture, without which no person can carry on the business of manufacture of fertilizers. The Order also prescribes certain standards that are required to be followed during the manufacture of fertilizers. No person can manufacture, import or sell any mixture of fertilizers unless such mixture conforms to the standards laid down by the Government of India in this Order. The Government of India also has the power to regulate prices and also has the power to direct manufacturers/importers to sell fertilizers to particular States, in order to ensure fair and equitable access to farmers across India.

#### **The Essential Commodities Act, 1955 (“EC Act”)**

The EC Act provides for the regulation and control of production, supply, distribution and pricing of commodities which are declared as essential, for maintaining or increasing supplies or for securing their equitable distribution and availability at fair prices. Under Section 3 of the EC Act, if the Government of India, in the interest of maintaining or increasing supplies of any essential commodity or for securing their equitable distribution and availability at fair prices, it may, by order, provide for regulating or prohibiting the production, supply and distribution thereof and trade and commerce therein. Such orders may provide for, among other things, controlling the price at which essential commodities are sold, requiring any person producing an essential commodity to sell the whole or a part of the produce and so on. Violation of the terms of these orders are punishable under Section 7 of the EC Act. Further, the Schedule of the EC Act provides for a list of essential commodities, including but not limited to drugs, fertilizers (whether inorganic, organic or mixed), foodstuffs and petroleum. Under Section 2A of the EC Act, the Government of India may add or remove any commodity from the Schedule.

#### **Fertilizers (Movement Control) Order, 1973 (“FM Order”)**

In exercise of the powers conferred on the Government of India by Section 3 of the EC Act, the Government of India notified the FM Order. It prohibits the export of any fertilizer from any state. However, the export of fertilizers is permitted with the authorization of the Government of India or an officer of the relevant state government, as the case may be. The FM Order also prescribes conditions for the search and seizure of fertilizers.

## **CORPORATE AND COMMERCIAL LAW**

### **The Companies Act, 2013**

The Companies Act primarily regulates the formation, financing, functioning, and restructuring of separate legal entity as companies. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial, and managerial aspects of companies. The provisions of the Act state the eligibility, procedure, and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law lays down transparency, corporate governance, and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### **Competition Act, 2002**

The Competition Act, 2002 came into effect on June 1, 2011, and has been enacted to “prohibit 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. The Act prohibits Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is likely to have an appreciable adverse effect on competition in India.

### **Negotiable Instruments Act, 1881**

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The 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 honored by their bankers and returned unpaid. Section 138 of the Act creates statutory offence in the matter of dishonor of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, or with fine which may extend to twice the amount of the cheque, or with both

### **The Registration Act, 1908 (“Registration Act”)**

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

### **Indian Stamp Act, 1899 (the “Stamp Act”)**

Under the Indian Stamp Act, 1899, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title, or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

### **The Arbitration and Conciliation Act, 1996**

This Act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration, and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration, 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, to provide that every final arbitral award is enforced in the same manner as if it were a decree of the court, to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal and to provide that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

### **Consumer Protection Act, 2019 (“Consumer Protection Act”) and the rules made thereunder**

The Consumer Protection Act, which repeals the Consumer Protection Act, 1986, was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, *inter alia*, to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of the consumers against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” has been expanded under the Consumer Protection Act to include persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. One of the substantial changes introduced by the Consumer Protection Act is the inclusion of the e-commerce industry under the ambit of the Consumer Protection Act, with “e-commerce” defined to refer to the buying and selling of goods or services over digital or electronic network. The Consumer Protection Act aims to cover entities that are involved in the process of selling goods or services online. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ₹ 1,00,00,000. In cases of manufacturing for sale or storing, selling or distributing or importing products containing an adulterant, the imprisonment may vary between six months to seven years and fine between ₹ 10,00,000 to ₹ 1,00,00,000 depending upon the nature of injury to the consumer.

### **The Insolvency and Bankruptcy Code, 2016 (the “Code”)**

The Insolvency and Bankruptcy Code, 2016 covers Insolvency of companies, Limited Liability partnerships (LLPs), unlimited liability partnerships, and individuals. The IBC 2016 has laid down a collective mechanism for resolution of insolvencies in the country by maintaining a delicate balance for all stakeholders to preserve the economic value of the process in a time bound manner. The code empowers any creditor of a Corporate Debtor (CD), irrespective of it being a Financial Creditor (FC) or Operational Creditor (OC) or secured or unsecured creditor, or the Corporate Debtor itself, to make an application before the Adjudicating Authority (AA) to initiate Corporate Insolvency Resolution Process (CIRP) against a Corporate Debtor, at their discretion, in the event of there being a default by the Corporate Debtor in payment of their dues for an amount as specified from time to time. On initiation of the Said CIRP, a resolution to be sought for the company within a time bound time period of 180 days otherwise it is put on liquidation.

## **LABOUR AND EMPLOYMENT LEGISLATIONS**

### **Employees’ Compensation Act, 1923**

The Employee’s Compensation Act, 1923 has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or their survivors for industrial accidents and occupational diseases resulting in the death or disablement of such workmen. The Act makes every employer liable to pay compensation in accordance with the Act if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by an accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the Act within one month from the date it falls due, the Commissioner may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

### **The Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“EPF Act”) and the schemes formulated there under (“Schemes”)**

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

### **Code of Wages, 2019**

The Code aims to consolidate the laws relating to wages and bonus and matters connected therewith or incidental thereto. It received the assent of President of India on August 08, 2019. The Code contains the procedure for fixing minimum wage, limit for fines and deductions in wages, minimum and maximum bonus, calculation of allocable and available surplus, as well as gender neutral consideration in fixing wages. The Code has given the power to Central Government to fix a “floor wage” and the State governments cannot fix any minimum wage less than the “floor wage”. It amalgamates and subsumes four imperative labour laws, the Payment of Wages Act, 1936; the Minimum Wages Act, 1948; the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The date of implementation of the Code is yet to be notified.

### **The Code on Social Security, 2020**

This Code received the assent of President of India on September 28, 2020, though the implementation of the same is yet to be notified. The Code aims to provide better social security benefits such as provident fund, insurance, and gratuity to workers. It extends the reach of the Employees' State Insurance Corporation and the Employees' Provident Fund Organization (which regulate benefits such as provident fund, insurance, pension, etc.) to the workers in the unorganized sector and the platform and gig workers. The Code further stipulates gratuity benefit for fixed term employees without any condition for a minimum service period as envisaged under the current regime. The Code subsumes nine (9) labour laws relating to social security, namely, the Employees' Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Cine-Workers Welfare Fund Act, 1981, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers Social Security Act, 2008.

### **The Industrial Relations Code, 2020**

This Code received the assent of President of India on September 28, 2020, though the implementation of the same is yet to be notified. The Code aims to streamline the laws regulating industrial disputes and trade unions in India. For the benefit of the employers, the Code has introduced various aspects such as increasing the threshold of workers to three hundred (300) for obtaining the consent of the concerned government in case of lay off, retrenchment or closure of the establishment, notice of change not required to be given subject to the conditions stipulated in the Code, increasing the wage threshold to Rs. 18,000 for exclusion from the definition of worker, etc. The Industrial Relations Code also introduces the concept of deemed certification of standing orders. The Code subsumes three labour laws relating to industrial relations, namely, the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.



### **Occupational Safety, Health, and Working Conditions Code, 2020 (“OSH Code”)**

The Occupational Safety, Health, and Working Conditions Code, 2020 is one of three new labor codes that will consolidate the bulk of labor legislation in India and streamline labor compliance besides expanding the social security net for workers. This Code received the assent of President of India on September 28, 2020, though the implementation of the same is yet to be notified. Rules to implement the Code are expected to be finalized in the next few weeks. New establishments covered by the OSH Code must register themselves (within 60 days of commencement of the Code) with registering officers appointed by the appropriate government. Establishments already registered under any other federal law will not be required to register again. Every employer is directed to undertake the following obligations by the OSH Code:

- Ensure that the workplace is free from hazards can cause injury or occupational disease to the employees and comply with the OSH Code and the government’s directions on the same;
- Provide free annual health examination or testing, free of cost, to certain classes of employees;
- Provide and maintain, as reasonably practical, a working environment that is safe and without risk to the health of the employees;
- Issue letters of appointments to employees; and
- Ensure that no charge is levied on any employee for maintenance of safety and health at workplace, including the conduct of medical examination and investigation for the purpose of detecting occupational diseases.

Further, the Code directs employers with respect to factories, mines, dock work, building and other construction work, or plantations to ensure: (i) safety arrangements in the workplace and absence of risk to health in connection with the use, storage, and transport of articles and substances; (ii) provision of such information, instruction, training, and supervision as are necessary to ensure the health and safety of all employees at work, etc. This Code shall subsume more than 10 labour laws including Factories Act 1948, Contract Labour Act 1970, and Mines Act 1952.

### **Apprentices Act, 1961**

The Apprentice’s Act was enacted in 1961 for imparting training to apprentices i.e., a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. Every employer shall make suitable arrangements in his workshop for imparting a course of practical training to every apprentice engaged by him in accordance with the programme approved by the apprenticeship adviser. The central apprenticeship adviser or any other person not below the rank of an assistant apprenticeship adviser shall be given all reasonable facilities for access to each apprentice with a view to test his work and to ensure that the practical training is being imparted in accordance with the approved programme.

### **Child Labour (Prohibition and Regulation) Act, 1986**

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

### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 provides for the protection of women at workplace and prevention of sexual harassment at workplace. The Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favours or making sexually colored remarks, showing pornography or any other unwelcome physical, verbal, or non-verbal conduct of sexual nature. The Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e., a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000/- (Rupees Fifty Thousand Only).

## **INTELLECTUAL PROPERTY RELATED LAWS**

### **The Trademarks Act, 1999 (“Trademarks Act”)**

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trademark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewals.

### **Copyright Act, 1957 (“Copyright Act”)**

The Copyright Act grants protection to the authors of literary, artistic, dramatic, musical, photographic, cinematographic or sound recording works from unauthorized uses. Various rights including ownership and economic rights are conferred on the author. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire.

### **The Designs Act, 2000 (“Designs Act”)**

The objective of Designs Act is to promote and protect the design element of industrial production. It is also intended to promote innovative activity in the field of industries. When a design is registered, the proprietor of the design has copyright in the design during ten years from the date of registration.

### **Patent Act, 1970 (“Patent Act”)**

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.

## **FOREIGN EXCHANGE REGULATIONS**

### **The Foreign Trade (Development & Regulation) Act, 1992 (“FTA”)**

The Foreign Trade (Development & Regulation) Act, 1992, provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto. As per the provisions of the FTA, the Government: (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import Policy. FTA read with the Indian Foreign Trade Policy *inter-alia* provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

### **Foreign Exchange Management Act, 1999 (“the FEMA”) and Rules and Regulations thereunder**

Export of goods and services outside India is governed by the provisions of the Foreign Exchange Management Act, 1999, read with the applicable regulations. The Foreign Exchange Management (Export of goods and services) Regulations, 2000 have been superseded by the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 ("Export of Goods and Services Regulations 2015") issued by the RBI on January 12, 2016 (last amended on June 23, 2017). The RBI has also issued a Master Circular on Export of Goods and Services. The export is governed by these Regulations which make various provisions such as declaration of exports, procedure of exports as well as exemptions.

## **LAWS RELATING TO TAXATION**

The Goods and Services Tax (“GST”) is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the state government including union territories on intra-state supply of goods or services.

Further, Central Government levies GST on the inter-state supply of goods or services. The GST is enforced through various acts viz. Central Goods and Services Act, 2017 (“**CGST**”), relevant state’s Goods and Services Act, 2017 (“**SGST**”), Union Territory Goods and Services Act, 2017 (“**UTGST**”), Integrated Goods and Services Act, 2017 (“**IGST**”), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Further, the Income-tax Act, 1961 (the “**Income Tax Act**”) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the Income Tax Act or rules made there under depending upon its “Residential Status” and “Type of Income” involved. The Income Tax 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 Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

## **ENVIRONMENTAL LEGISLATIONS**

### **Environment Protection Act, 1986 (the “EP Act”), Environment Protection Rules, 1986 (the “EP Rules”) and Environmental Impact Assessment Notification, 2006 (“EIA Notification”)**

The EP Act has been enacted for the protection and improvement of the environment. EP Act empowers the government to take all measures to protect and improve the quality of environment, such as by laying down standards for emission and discharge of pollutants, providing for restrictions regarding areas where industries may operate and laying down safeguards for handling hazardous substances, amongst others. It is in the form of an umbrella legislation designed to provide a framework for Central Government to coordinate the activities of various central and state authorities established under previous laws. It is also in the form of an enabling law, which delegates wide powers to the executive to enable bureaucrats to frame necessary rules and regulations.

Further, the EP Rules specifies, among other things, the standards for emission or discharge of environmental pollutants, restrictions on the location of industries and restrictions on the handling of hazardous substances in different areas. For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

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

The Air Act was enacted to provide for the prevention, control and abatement of air pollution in India. It is a specialised piece of legislation which was enacted to take appropriate steps for the preservation of natural resources of the earth, which among other things include the preservation of the quality of air and control of air pollution. Not all provisions of the Air Act apply automatically to all parts of India, and the state pollution control board must notify an area as an “air pollution control area” before the restrictions under the Air Act apply. The Air Act stipulates that no person shall, without prior written consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area, as notified by the state pollution control board. Further, such an industrial plant shall not be permitted to emit air pollutants in excess of the standards laid down by the state pollution control board.

### **Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)**

The Water Act was enacted to control and prevent water pollution and for maintaining or restoring of wholesomeness of water in the country. The objective of this legislation is to ensure that the domestic and industrial pollutants are not discharged into rivers and lakes without adequate treatment. The reason is that such a discharge renders the water unsuitable as a source of drinking water as well as for the purposes of irrigation and support of marine life. In order to achieve its objectives, the Pollution Control Boards at Central and State levels were created to establish and enforce standards for factories discharging pollutants into water bodies. Further, any person intending to establish any industry, operation or process or any treatment and disposal system which is likely to discharge sewage or other pollution into a water body is required to obtain prior consent of the relevant state pollution control board.

### **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Waste Rules”)**

The Hazardous Waste Rules, read with the EP Act, ensure resource recovery and disposal of hazardous waste in an environmentally sound manner. A categorical list of hazardous wastes have been provided in the schedules in the Hazardous Waste Rules. Any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Further, the occupier has been, *inter alia*, made responsible for safe and environmentally sound handling of hazardous wastes generated in his /establishment and shall require authorisation for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste from the concerned state pollution control board.

### **The Manufacturing, Storage & Import of Hazardous Chemicals Rules, 1989 (“MSIHC Rules”)**

The MSIHC Rules apply to an industrial activity in which a hazardous chemical as stipulated in Schedule I of the MSIHC Rules is involved, or the isolated storage of a hazardous chemical listed in Schedule II of the MSIHC Rules. The MSIHC Rules stipulate that an occupier in control of an industrial activity has to provide evidence for having identified the major accident hazards and taken adequate steps to prevent such major accidents and to limit their consequences to persons and the environment. The occupier has an obligation to show that he has provided necessary information, training and equipment, including antidotes to the persons working on the site to ensure their safety. Further, the occupier is under an obligation to notify the concerned authority on the occurrence of a major accident on the site or pipeline within 48 hours.

### **OTHER APPLICABLE LAW**

### **The Legal Metrology Act, 2009 (the “Legal Metrology Act”) and Legal Metrology (Packaged Commodities) Rules, 2011 (the “Packaged Commodities Rules”)**

The Legal Metrology Act seeks to establish and enforce standard weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Packaged Commodities Rules were framed under section 52(2) (j) and (q) of the Legal Metrology Act which lays down specific provisions applicable to packages intended for retail sale, whole sale and for export and import and also regulate pre-packaged commodities in India, *inter alia* mandating certain labelling requirements prior to sale of such commodities.

## HISTORY AND CERTAIN CORPORATE STRUCTURE

### HISTORY AND BACKGROUND

Our company was originally incorporated as Balaji Phosphates Private Limited on April 4, 1996, through a Certificate of Incorporation issued by the Registrar of Companies, Kanpur, under the provisions of the Companies Act, 1956. Pawan Kumar Agrawal and Sushil Kumar Agrawal were the initial subscribers to the company. In 2014, control of the company was transferred to its current promoters, Mr. Mohit Airen and Mr. Alok Gupta. Following a Special Resolution passed at an Extraordinary General Meeting (EGM) on September 7, 2023, the company was converted from a private limited company to a public limited company. Concurrently, the company's name was changed to "Balaji Phosphates Limited." Upon this conversion, a new Certificate of Incorporation was issued by the Registrar of Companies, Gwalior, dated September 18, 2023, with Corporate Identification Number (CIN) U24123MP1996PLC067394

### CHANGES IN REGISTERED OFFICE OF OUR COMPANY.

Date	Details of Registered Office	Reason for Change
At Incorporation	SEC.1/162, Mahadeo Niwas Chiranjiv Vihar Ghaziabad, Uttar Pradesh-201 002	Not Applicable
01/01/2009	Shop No.6, Ayodhya Das Trade Center, Vijay Chowk, Gorakhpur, Uttar Pradesh- 273 001	For administrative convenience and expansion of the Company
03/03/2023	305, Utsav Avenue, 12/5, Usha Ganj Jaora Compound, Indore G.P.O., Indore - 452001(Madhya Pradesh)	For better operational, administrative controls, and economic management

### MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company are:

- To manufacture and trade in NPK mixture fertilizer, super phosphate in powder and granulated form, carbonic fertilizer.

### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Since the incorporation of our Company, the following changes have been made to the Memorandum of Association and Article of Association:

Date of Amendment / Shareholders' Resolution	Nature of Amendment
26/04/2002	Clause V of our Memorandum of Association was amended to reflect the increase in our authorised share capital from ₹ 2,00,000 divided into 20,000 equity shares of ₹ 10 each to ₹ 10,00,000 divided into 1,00,000 equity shares of ₹ 10 each.
10/03/2009	Clause V of our Memorandum of Association was amended to reflect the increase in our authorised share capital from ₹ 10,00,000 divided into 1,00,000 equity shares of ₹ 10 each to ₹ 1,00,00,000 divided into 10,00,000 equity shares of ₹ 10 each.
06/04/2010	Clause V of our Memorandum of Association was amended to reflect the increase in our authorised share capital from ₹ 1,00,00,000 divided into 10,00,000 equity shares of ₹ 10 each to ₹ 1,50,00,000 divided into 15,00,000 equity shares of ₹ 10 each
03/03/2014	Clause V of our Memorandum of Association was amended to reflect the increase in our authorised share capital from ₹ 1,50,00,000 divided into 15,00,000 equity shares of ₹ 10 each to ₹ 5,25,00,000 divided into 52,50,000 equity shares of ₹ 10 each

<b>Date of Amendment / Shareholders' Resolution</b>	<b>Nature of Amendment</b>
31/03/2014	Clause V of our Memorandum of Association was amended to reflect the increase in our authorised share capital from ₹ 5,25,00,000 divided into 52,50,000 equity shares of ₹ 10 each to ₹ 10,00,00,000 divided into 1,00,00,000 equity shares of ₹ 10 each
16/03/2016	Clause V of our Memorandum of Association was amended to reflect the increase in our authorised share capital from ₹ 10,00,00,000 divided into 1,00,00,000 equity shares of ₹ 10 each to ₹ 10,60,00,000 divided into 1,06,00,000 equity shares of ₹ 10 each
28/09/2021	Deleting Clause 'C' -Other Object of Memorandum of Association of the company.
28/09/2021	Clause IV- The liability of members is limited and this liability is limited to the amount unpaid, if any, on shares held by them.
28/09/2021	To Replace existing clause 3(b) of Memorandum of Association of the Company.
03/03/2023	Clause II of our Memorandum of Association was amended to reflect the shifting of registered office address of the company from the State of Uttar Pradesh to Madhya Pradesh
08/05/2023	Clause V of our Memorandum of Association was amended to reflect the increase in our authorized share capital from ₹ 10,60,00,000 divided into 1,06,00,000 equity shares of ₹ 10 each to ₹ 16,00,00,000 divided into 1,60,00,000 equity shares of ₹ 10 each.
26/08/2023	Clause V of our Memorandum of Association was amended to reflect the increase in our authorized share capital from ₹ 16,00,00,000 divided into 1,60,00,000 equity shares of ₹ 10 each to ₹ 25,00,00,000 divided into 2,50,00,000 equity shares of ₹ 10 each.

#### **MAJOR EVENTS, MILESTONES, KEY AWARDS, ACHIEVEMENTS OF OUR COMPANY**

The following tables set forth the major events and milestones in the history of our Company:

<b>Date</b>	<b>Major Milestones</b>
04/04/1996	Incorporation of Company
31/03/2014	Change in the Management / promoters of the Company
05/10/2020	Jyoti Weighing Systems Private Limited becomes the Company's subsidiary.
18/09/2023	Our Company was converted into Public Limited Company vide a fresh certificate of incorporation issued by Registrar of Companies, Gwalior consequent upon conversion from Private Limited to Public Company dated September 18, 2023, in the name of "Balaji Phosphates Limited"

#### **HOLDING / SUBSIDIARY COMPANY/ JOINT VENTURE AND ASSOCIATE**

Our Company does not have any Holdings and Joint Ventures as on date of filing Prospectus.

#### **SUBSIDIARY OF OUR COMPANY**

Our company have one subsidiary viz. Jyoti Weighing Systems Private Limited :

<b>Name of Subsidiary</b>	Jyoti Weighing Systems Private Limited
<b>Date of incorporation</b>	June 26, 1979
<b>CIN</b>	U29111MP1979PTC001524

<b>Nature of Business</b>	The company is into the business of manufacturer of weighbridges with a capacity of up to 633 MT, operating from a facility in Dewas, Madhya Pradesh.			
<b>Capital Structure as on date of this Prospectus</b>	<b>Authorized Share capital:</b> Rs. 1,00,00,000 divided into 10,00,000 Equity Shares of Rs. 10/- each. <b>Paid- up Share Capital:</b> Rs. 55,00,000 divided into 5,50,000 Equity Shares of Rs. 10/ each.			
<b>Registered office</b>	88 Jaora Compound, Ushaganj, Indore, Indore, Madhya Pradesh- 452 001			
<b>List of Directors</b>	<b>Sr. No.</b>	<b>Name</b>		
	1.	Mr. Mohit Airen		
	2.	Mr. Alok Gupta		
<b>List of shareholders</b>	<b>Sr. No.</b>	<b>Name of shareholder</b>	<b>Shares held</b>	<b>% of share held</b>
	1.	Balaji Phosphates Limited	5,49,900	99.98
	2.	Mr. Mohit Airen	100	0.02
<b>Amount of Accumulated profits or losses of the subsidiary not accounted for by our company</b>	As of the date of the Prospectus, there are no accumulated profits or losses of the subsidiary that have not been accounted for by our company			

## DETAILS OF SHAREHOLDERS' AGREEMENTS

Our Company has not entered into any shareholders agreement as on the date of filing this Prospectus.

## OTHER AGREEMENTS

Neither our Promoters nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

Further, our Company has not entered into any other subsisting material agreement, other than in the ordinary course of business.

## JOINT VENTURE AGREEMENTS

Our Company has not entered into any joint venture agreement as on the date of this Prospectus.

## COLLABORATION AGREEMENTS

Our Company has not entered into any collaboration agreement as on the date of this Prospectus

## DETAILS REGARDING MATERIAL ACQUISITIONS OR DIVESTMENTS OF BUSINESS/ UNDERTAKINGS, MERGERS, AMALGAMATION, ANY REVALUATION OF ASSETS, ETC. IN THE LAST 10 YEARS

Except as disclosed below, our Company has not made any material acquisitions or divestments of any business/ undertaking, and has not undertaken any merger, amalgamation or any revaluation of assets in the 10 years preceding the date of this Prospectus:

### Acquisition of Jyoti Weighing Systems Private Limited

Our Company had entered into a share purchase agreement dated 05th October 2020 with erstwhile shareholders of Jyoti Weighing Systems Private Limited pursuant to which our Company agreed to Purchase 5,50,000 equity shares of Jyoti Weighing Systems Private Limited representing 100% of the equity share capital of Jyoti Weighing Systems Private Limited on a fully diluted basis for an aggregate consideration of ₹7.48 Crores

## **FINANCIAL AND / OR STRATEGIC PARTNERS**

Our Company does not have any financial and/or strategic partners as of the date of filing this Prospectus.

## **LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY OR EXIT IN NEW GEOGRAPHIES**

For details of launch of key products or services, entry in new geographies or exit from existing markets, please refer to the chapter “*Our Business*” on page 117 of this Prospectus.

## **GUARANTEES GIVEN BY OUR PROMOTER**

Except as stated in the “Financial Indebtedness” and “Restated Financial Information” beginning on page 284 and 185 of this Prospectus respectively, our Promoters, have not issued guarantees on behalf of our Company to third parties.

## **CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT**

Other than as mentioned above in the section titled “*Our Business*” and “*History and Certain Corporate Matters*” beginning on page 117 and 150 respectively, of this Prospectus, there has been no change in the activities being carried out by our Company which may have a material effect on the profits/ loss of our Company, including discontinuance of the current lines of business, loss of projects or markets and similar factors in the last five years.

## **INJUNCTIONS OR RESTRAINING ORDERS**

There are no injunctions/ restraining orders that have been passed against the Company.

## **CHANGES IN THE MANAGEMENT**

For details of change in Management, please see chapter titled “*Our Management*” on page 154 of the Prospectus.

## **OTHER DECLARATIONS AND DISCLOSURES**

Our Company is not a listed entity. Our Company has received approval from National Stock Exchange of India (“NSE”) for using its name in the Offer Document vide their letter dated January 28, 2025 for listing of our shares on the EMERGE Platform of NSE (“NSE EMERGE”). Our securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, our Company has not made any public issue (as defined in the SEBI (ICDR) Regulations) in the past. Further, no action has been taken against our Company by any Stock Exchange or by SEBI. Our Company is neither a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985; nor is our Company under winding-up process nor has it received any notice for striking off its name from the Registrar of Companies.

## **FUND RAISING THROUGH EQUITY OR DEBT**

For further details in relation to our fund-raising activities through equity and debt, please refer to the section titled “*Financial Information*” and “*Capital Structure*” beginning on page 185 and 65 respectively, of this Prospectus.



## OUR MANAGEMENT

### BOARD OF DIRECTORS DETAILS ARE AS FOLLOWS

Under the Articles of Association, our Company is authorized to have a minimum of 3 (three) Directors and a maximum of up to 15 (fifteen) Directors. As on the date of this Prospectus, our Company has 6 (six) Directors, comprising 1 (one) Managing Director, 2(two) Executive Director (three) Non-Executive Independent Directors. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act 2013 and the SEBI (LODR) Regulations.

Set forth below, are details regarding our Board as on the date of this Prospectus:

Sr. No.	Name of the Director	DIN	Designation	Date of Joining
1)	Mr. Mohit Airen	00326470	Managing Director	16/09/2013
2)	Mr. Alok Gupta	00321894	Executive director	16/09/2013
3)	Mr. Sunil Kumar Talwar	10105902	Executive director	08/04/2023
4)	Ms. Aashi Neema	10149905	Non-Executive Independent Director	08/05/2023
5)	Ms. Nupur Lodwal	10150318	Non-Executive Independent Director	08/05/2023
6)	Ms. Sweena Gangwani	08852555	Non-Executive Independent Director	01/08/2024

The following table sets forth details regarding the Board of Directors as on the date of this Prospectus:

Sr. No.	Particulars	Details
1.	<b>Name</b>	Mr. Mohit Airen
	<b>Father's Name</b>	Mr. Praveen Airen
	<b>Residential Address</b>	6-A, Girdhar Nagar Indore, (Madhya Pradesh) - 452001
	<b>Date of Birth</b>	04/12/1977
	<b>Age</b>	47 Years
	<b>Designation</b>	Managing Director
	<b>DIN</b>	00326470
	<b>Occupation</b>	Business
	<b>Nationality</b>	Indian
	<b>Qualification</b>	B. Com & MBA
	<b>Brief Biography</b>	Mohit Airen is Graduate in Commerce and have Master Degree in Business Economics from Devi Ahilya Vishwavidyalaya, Indore. He also has Certificate of Excellence from Microsoft entitled as Microsoft Certified Professional. He has more than 20 years of experience in managing business of corporate entities. He is associated with company since 16/09/2013 and have extensive experience in Client communication, collaboration, and expectations management.

Sr. No.	Particulars	Details
	<b>Date of Appointment</b>	16/09/2013
	<b>Date of Change in Designation</b>	08/05/2023
	<b>Terms of Appointment</b>	As mentioned in Engagement / Appointment Letter
	<b>Current Term</b>	May 8, 2023 till May 8, 2028
	<b>Duration</b>	Appointed for Five Years
	<b>Directorship in other companies/LLP</b>	1. Chatak Agro (India) Pvt. Ltd. 2. Divyajyoti Agritech Pvt. Ltd. 3. Jyoti Weighing Systems Pvt. Ltd. 4. Shalini Plastic Pvt. Ltd. 5. Divyashakti Foods Pvt. Ltd. 6. Electronics Farming Solution Associates (E-FASAL) Pvt. Ltd. 7. Dhara Infracon Pvt. Ltd. 8. Karmasetu Foundation Section 8 Company 9. Dhenu Nature Farms Pvt. Ltd 10. Beyond Trust Industries Pvt. Ltd. 11. Indore Food Park Pvt. Ltd 12. Divyashakti Metals Private Limited formerly known as Vitthal Agritech Pvt. Ltd.
2.	<b>Name</b>	Mr. Alok Gupta
	<b>Father's Name</b>	Mr. Somchand Gupta
	<b>Residential Address</b>	House No. 170, Rani Bag (Main) village Limbodi, Khandwa Road, Indore, (Madhya Pradesh)- 452 001
	<b>Date of Birth</b>	18/12/1976
	<b>Age</b>	48 Years
	<b>Designation</b>	Executive Director
	<b>DIN</b>	00321894
	<b>Occupation</b>	Businessman
	<b>Nationality</b>	Indian
	<b>Qualification</b>	Bachelor's in Commerce
	<b>Brief Biography</b>	Alok Gupta is Graduate in Commerce 1997 From Devi Ahilya University Indore. He is associated with the company as Director since September 16, 2013. He has more than 20 years of experience in managing the business of corporate entities.
	<b>Date of Appointment</b>	16/09/2013
	<b>Date of Change in Designation</b>	N. A
	<b>Terms of Appointment</b>	As mentioned in Engagement / Appointment Letter

Sr. No.	Particulars	Details
	<b>Current Term</b>	March 8, 2024 till March 8, 2029
	<b>Duration</b>	Appointed for Five Years
	<b>Directorship in other companies</b>	<ol style="list-style-type: none"> <li>1. Chatak Agro (India) Pvt. Ltd.</li> <li>2. Divyajyoti Agritech Pvt. Ltd.</li> <li>3. Jyoti Weighing Systems Pvt. Ltd.</li> <li>4. Shalini Plastic Pvt. Ltd.</li> <li>5. Divyashakti Foods Pvt.Ltd.</li> <li>6. Electronics Farming Solution Associates (E-FASAL) Pvt. Ltd.</li> <li>7. Dhara Infracon Pvt. Ltd. _</li> <li>8. Karmasetu. Foundation (Section 8 Company)</li> <li>9. Dhenu Nature farms Pvt. Ltd.</li> <li>10. Beyond Trust Industries Pvt. Ltd.</li> <li>11. Indore Food Park Pvt. Ltd.</li> <li>12. LBH Parivar Nidhi Limited</li> <li>13. Divyashakti Metals Private Limited- Limited formerly known as Vitthal Agritech Pvt. Ltd.</li> </ol>
3.	<b>Name</b>	Mr. Sunil Kumar Talwar
	<b>Father's Name</b>	Mr. Devendra Kumar Talwar
	<b>Residential Address</b>	602, nilgiri apartment Kalindi mid-town bypass road bicholi mar dana, Indore-452 016 Madhya Pradesh
	<b>Date of Birth</b>	06/05/1954
	<b>Age</b>	70 years
	<b>Designation</b>	Executive Director
	<b>DIN</b>	10105902
	<b>Occupation</b>	Director
	<b>Nationality</b>	Indian
	<b>Qualification</b>	Original educational certificates are not traceable and hence no disclosures are made
	<b>Brief Biography</b>	Sunil Talwar was appointed as a Director of the Company on April 8, 2023, to oversee the marketing function. He brings with him experience in the marketing of fertilizers. Prior to his appointment as Director, Mr. Talwar had been associated with the Company for the past 7 years in the capacity of a consultant.
	<b>Date of Appointment</b>	08-04-2023
	<b>Date of Change in Designation</b>	N.A.
	<b>Terms of Appointment</b>	As mentioned in Engagement / Appointment Letter

Sr. No.	Particulars	Details
	<b>Current Term</b>	March 8, 2024 till March 8, 2029
	<b>Duration</b>	Appointed for Five Years
	<b>Directorship in other companies</b>	N.A.
4.	<b>Name</b>	Ms. Aashi Neema
	<b>Father's Name</b>	Mr. Purshottam Neema
	<b>Residential Address</b>	502, Monarch Oasis 25-A Scheme No 71 C, Indore,- 452 009 Madhya Pradesh
	<b>Date of Birth</b>	02/09/1999
	<b>Age</b>	25 years
	<b>Designation</b>	Non-Executive Independent Director
	<b>DIN</b>	10149905
	<b>Occupation</b>	Director
	<b>Nationality</b>	Indian
	<b>Qualification</b>	Company Secretary
	<b>Brief Biography</b>	Aashi Neema holds membership of Institute of Company Secretaries of India and also has earned her Bachelors in Commerce. She has an overall Post qualification experience of approximately Three Years She is playing vital role in formulating business strategies and advising effective implementation of the same. Her leadership abilities have been instrumental in guiding the core team of our Company. She has handled Business operations for many small ventures and has hands on experience in managing Human resource, brand building, brand development, marketing and compliance.
	<b>Date of Appointment</b>	08/05/2023
	<b>Date of Change in Designation</b>	NA
	<b>Terms of Appointment</b>	As mentioned in Engagement / Appointment Letter
	<b>Current Term</b>	May 8, 2023 till May 8, 2028
	<b>Duration</b>	Appointed for Five Years
	<b>Directorship in other companies</b>	NA
5.	<b>Name</b>	Ms. Nupur Lodwal
	<b>Father's Name</b>	Mr. Ravindra Lodwal
	<b>Residential Address</b>	MR 10 Road 249 B Veena Nagar, Indore, Madhya Pradesh -452010,
	<b>Date of Birth</b>	15/02/1994

Sr. No.	Particulars	Details
	<b>Age</b>	31 years
	<b>Designation</b>	Non-Executive Independent Director
	<b>DIN</b>	10150318
	<b>Occupation</b>	Business
	<b>Nationality</b>	Indian
	<b>Qualification</b>	Company Secretary
	<b>Brief Biography</b>	Nupur Lodwal is a qualified Company Secretary from The Institute of Company Secretaries of India and holds Bachelor's degree in Business Administration and law field. She also holds master degree in Commerce She is a dynamic professional with 6 years of experience in the areas of Capital Market and Corporate laws.
	<b>Date of Appointment</b>	08/05/2023
	<b>Date of Change in Designation</b>	NA
	<b>Terms of Appointment</b>	As mentioned in Engagement / Appointment Letter
	<b>Current Term</b>	May 8, 2023 till May 8, 2028
	<b>Duration</b>	Appointed for Five Years
	<b>Directorship in other companies</b>	Nath Industries Limited
6.	<b>Name</b>	Ms. Sweena Gangwani
	<b>Father's Name</b>	Mr. Manjeet Singh
	<b>Residential Address</b>	BBC Bhavan Railway Station Road Dewas, Madhya Pradesh- 455001
	<b>Date of Birth</b>	22/05/1988
	<b>Age</b>	36 years
	<b>Designation</b>	Non-Executive Independent Director
	<b>DIN</b>	08852555
	<b>Occupation</b>	Company Secretary
	<b>Nationality</b>	Indian
	<b>Qualification</b>	CS, MBA (HR & Finance), B.COM
	<b>Brief Biography</b>	Sweena Gangwani is qualified company secretary. She also holds degree of Master of Business Administrative having specialization in Finance and Human Resource. She has over 10 Years of experience in Legal and Compliance, competency in spreading business operation and strategic management

Sr. No.	Particulars	Details
	<b>Date of Appointment</b>	01/08/2024
	<b>Date of Change in Designation</b>	NA
	<b>Terms of Appointment</b>	As mentioned in Engagement / Appointment Letter
	<b>Current Term</b>	August 1, 2024 till August 1, 2029
	<b>Duration</b>	Appointed for Five Years
	<b>Directorship in other companies</b>	Beryl Securities Limited

## RELATIONSHIP BETWEEN OUR DIRECTORS AND KEY MANAGERIAL PERSONNEL

None of Our Directors are related to each other or to any of the KMPs as per the definition of “Relative” under the Companies Act, 2013.

## DETAILS OF ANY ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS

As on the date of this Prospectus, our Company has no arrangement or understanding with any major shareholders, customers or suppliers and none of our directors or members of senior management were appointed pursuant to any arrangement or understanding with any major shareholders, customers, suppliers or others.

## SERVICE CONTRACTS WITH DIRECTORS

Our Company do not have any service contract with the Directors pursuant to which they are entitled to any benefits upon termination of employment.

## BORROWING POWERS OF THE BOARD

Pursuant to our Article of Association and applicable provision of the Companies Act 2013 and pursuant to the special resolution passed by the members at the EGM of the Company held on May 08, 2023, pursuant to Section 180(1)(c) and other applicable provisions of the Companies Act and rules made there under, our Board has been authorized to borrow any sum of money from time to time notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital and free reserves of our Company, provided that the total outstanding amount so borrowed shall not any time exceed the limit of ₹ 10,000 Lakh.

## TERMS OF APPOINTMENT & REMUNERATION TO EXECUTIVE DIRECTORS

### • Managing Director

Mr. Mohit Airen is Director since September 16, 2013 of the Company. He was re designated as the Managing Director of our company with the effect from May 08, 2023 for a period of five (5) years. The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof).

**TERMS OF APPOINTMENT :**

1. Approval of Remuneration and Benefits- Rupees 2,85,000/- (Rupees Two lac eighty-five thousand per month, in the scale of Rs. 2,85,000/- to Rs. 3,00,000/- per month, with such annual Increments/Increases as may be decided by the Board of Directors from time to time.
2. Annual performance incentive including Limit on Performance incentive: Not exceeding five times the fixed salary payable for each financial year, subject to such ceilings as may be set out in the Act, if any, and subject to such ceiling as may be fixed by the Board of Directors from time to time. The amount of performance incentive shall be payable after the annual accounts are approved by the Board of Directors and adopted by the shareholders.
3. The managing director shall be entitled at any time to resign office as managing director after giving the company at least ninety days' notice in writing in that behalf
4. Non-Financial Benefits: The shareholders endorse the provision of non-financial benefits, including retirement and health benefits, to the executive directors on terms and conditions consistent with those provided to other senior executives or in accordance with the company's policies and regulations.
5. Gratuity- Rate of one month salary for each year of services.

- **Executive Director**

**Executive Director- Mr. Alok Gupta**

**Mr. Alok Gupta** is director since September 16, 2013 of the Company. His terms and remuneration is approved by shareholder meeting dated 08<sup>th</sup> March 2024 after the company get converted from private to public limited. The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof).

**TERMS OF APPOINTMENT :**

1. Approval of Remuneration and Benefits: The shareholders approve the remuneration of Rs. 1,20,000/- (One lac twenty thousand) per month including base salary, performance bonuses, stock options, and other benefits, for the executive directors as proposed by the Board of Directors in its board meeting.
2. Performance Incentives: The shareholders authorize the Board of Directors to establish performance-based incentives and bonuses for the executive directors, subject to the achievement of pre-determined strategic and financial targets, with the aim of enhancing the company's performance and shareholder value.
3. Long-Term Incentive Plans: The shareholders approve the implementation of long-term incentive plans, such as share option schemes or restricted stock awards, for the executive directors, designed to promote long-term sustainability and growth of the company.
4. Non-Financial Benefits: The shareholders endorse the provision of non-financial benefits, including retirement and health benefits, to the executive directors on terms and conditions consistent with those provided to other senior executives or in accordance with the company's policies and regulations.
5. Termination and Severance: The shareholders authorize the Board of Directors to determine the terms and conditions of termination and severance packages for the executive directors, taking into account the applicable legal requirements and the best interests of the company, and in accordance with the relevant employment contracts or agreements.
6. Reporting and Disclosure: The shareholders direct the Board of Directors to ensure full and transparent disclosure of the remuneration and benefits of the executive directors in the company's annual reports and other relevant filings, in compliance with the applicable laws, regulations, and governance standards.
7. Retirement by Rotation: As per section 152 (6) of Companies Act, 2013 Directors of public Company are liable to be retired by rotation at every annual general meeting and such provision shall be applicable on Mr. Alok Gupta.
8. Any Other Business: The shareholders authorize the Board of Directors to take such further action and execute such other documents as may be necessary or desirable to implement the foregoing resolution.

### ***Executive Directors -Sunil Talwar***

Mr. Sunil Kumar Talwar is appointed for 5 years as director on 08 April, 2023 as executive director of the company. His terms and remuneration are approved by shareholder meeting dated 08 March, 2024 after the company get converted from private to public limited. The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof).

#### ***TERMS OF APPOINTMENT :***

1. Approval of Remuneration and Benefits: The shareholders approve the remuneration is nil including base salary, performance bonuses, stock options, and other benefits, for the executive directors as proposed by the Board of Directors in its board meeting.
2. Performance Incentives: The shareholders authorize the Board of Directors to establish performance-based incentives and bonuses for the executive directors, subject to the achievement of pre-determined strategic and financial targets, with the aim of enhancing the company's performance and shareholder value.
3. Long-Term Incentive Plans: The shareholders approve the implementation of long-term incentive plans, such as share option schemes or restricted stock awards, for the executive directors, designed to promote long-term sustainability and growth of the company.
4. Non-Financial Benefits: The shareholders endorse the provision of non-financial benefits, including retirement and health benefits, to the executive directors on terms and conditions consistent with those provided to other senior executives or in accordance with the company's policies and regulations.
5. Termination and Severance: The shareholders authorize the Board of Directors to determine the terms and conditions of termination and severance packages for the executive directors, taking into account the applicable legal requirements and the best interests of the company, and in accordance with the relevant employment contracts or agreements.
6. Reporting and Disclosure: The shareholders direct the Board of Directors to ensure full and transparent disclosure of the remuneration and benefits of the executive directors in the company's annual reports and other relevant filings, in compliance with the applicable laws, regulations, and governance standards.
7. Retirement by Rotation: As per section 152 (6) of Companies Act, 2013 Directors of public Company are liable to be retired by rotation at every annual general meeting and such provision shall be applicable on Mr. Sunil Kumar Talwar.
8. Any Other Business: The shareholders authorize the Board of Directors to take such further action and execute such other documents as may be necessary or desirable to implement the foregoing resolution.

### ***Non-Executive Director- Aashi Neema, Ms. Nupur Lodwal, Ms. Sweena Gangwani***

#### ***TERMS OF APPOINTMENT :***

1. Approval of Remuneration and Benefits: The shareholders approve the remuneration is 5,000 to 6,000 per meeting (but not exceeding 60,000 annually), for the non-executive directors as proposed by the Board of Directors in its board meeting.
2. Term of appointment:- 5 years
3. Commission:- The Commission is proposed to be paid to all or any of the Non-Executive Directors including Independent Directors in proportion to the number of meetings of the Board and/or Committees thereto attended by the respective Non-Executive Director(s) during the relevant financial year, or in such other manner as may be decided by the Board of Directors of the Company on a financial year basis.



**REMUNERATION PAID TO EXECUTIVE DIRECTORS DURING PRECEDING FY 2022 -23 AND FY 2023-2024**

Name of the Directors	FY 2022-23 Amount (₹ in lakhs)	FY 2023-24 Amount (₹ in lakhs)
Mohit Airen	52.20	52.20
Alok Gupta	34.60	32.40
Sunil Talwar	Nil	Nil

\*Sunil Talwar was appointed on April 8, 2023 for the first time in the board of company.

Other than the aforementioned remuneration, our Executive directors is not entitled to any other compensation or benefits.

**PAYMENT OR BENEFIT TO NON-EXECUTIVE DIRECTORS AND INDEPENDENT DIRECTORS OF OUR COMPANY**

Pursuant to Board resolution dated November 7, 2023 each Non-executive and independent directors is entitled to receive sitting fees of ₹ 60,000 annually for attending all Board and Committee Meetings respectively. Further, our Independent Directors may be paid commission and reimbursement of expenses as permitted under the Companies Act and the SEBI Listing Regulations. No sitting fees or commission was paid by our Company to any Independent Directors in Financial Year 2022-2023 and Financial Year 2023-24

Further as on the date of this Prospectus, there was no sitting fees or commission due and payable for Fiscal 2023 by our Company.

**Non-Executive Director- Aashi Neema, Ms. Nupur Lodwal, Ms. Sweena Gangwani**

1. *Approval of Remuneration and Benefits: The shareholders approve the remuneration is 5,000 to 6,000 per meeting (but not exceeding 60,000 annually), for the non-executive directors as proposed by the Board of Directors in its board meeting.*
2. *Term of appointment:- 5 years*
3. *Commission:- The Commission is proposed to be paid to all or any of the Non-Executive Directors including Independent Directors in proportion to the number of meetings of the Board and/or Committees thereto attended by the respective Non-Executive Director(s) during the relevant financial year, or in such other manner as may be decided by the Board of Directors of the Company and permitted under the Companies Act and the SEBI Listing Regulations on a financial year basis. No sitting fees or commission was paid by our Company to any Independent Directors in Financial Year 2022-2023 and Financial Year 2023-24.*

**Changes in Our Company's Key Managerial Personnel during the last three (3) years**

Changes in our Key Management Personnel during the three years immediately preceding the date of this Prospectus are set forth below: The Company has appointed following person as KMP.

Name of KMP	Event	Date of change	Reasons for Change
Mr. Mohit Airen	Appointment as Managing Director	08/05/2023	Mohit Airen was initially appointed as a director of the company on 16th September 2013. Subsequently, based on his qualifications and experience, the members of the company decided to appoint him as the Managing Director.
Mr. Ravindra Chaurishi	Appointment as Chief Financial Officer	08/05/2023	To meet regulatory requirements.
Ms. Disha Soni	Appointment as Company Secretary and Compliance Officer	08/05/2023	To meet regulatory requirements.

Name of KMP	Event	Date of change	Reasons for Change
Ms. Disha Soni	Cessation as Company Secretary and Compliance Officer	26/03/2024	<i>Due to her prior commitments and pre-occupied schedule.</i>
Ms. Deepika Singh	Appointment as Company Secretary and Compliance Officer	01/04/2024	<i>To Fulfil the Vacancy of Ms. Disha Soni.</i>

#### REMUNERATION PAID OR PAYABLE TO OUR DIRECTORS BY OUR SUBSIDIARIES

Our subsidiary, Jyoti Weighing Systems Private Limited, has paid remuneration to our Directors, Mr. Alok Gupta and Mr. Mohit Airen, for the Financial Years 2022-23 and 2023-24. The details of this remuneration are provided below:

Name of Director	FY 2022-23 Amount (₹ in lakhs)	FY 2023-24 Amount (₹ in lakhs)
Alok Gupta	18,00,000	18,00,000
Mohit Airen	18,00,000	18,00,000

#### SHAREHOLDING OF DIRECTORS IN OUR COMPANY

As per our AOA, our directors are not required to hold any qualification shares.

The shareholding of our Directors in our Company as on the date of this Prospectus is set forth below:

Name of the Shareholder	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
Mr. Alok Gupta	58,43,880	32.76%	22.02%
Mr. Mohit Airen	71,87,220	40.29%	27.67%
Mr. Sunil Talwar	Nil	Nil	Nil
Ms. Aashi Neema	Nil	Nil	Nil
Ms. Nupur Lodwal	Nil	Nil	Nil
Mrs. Sweena Gangwani	Nil	Nil	Nil

#### CONFIRMATIONS

None of our Directors is or was a director of any listed companies, whose shares have been or were suspended from being traded on any stock exchanges having nationwide terminals, during the five (5) years preceding from the date of this Prospectus, during their term of directorship in such company.

None of our Directors is or was, a director of any listed companies, which has been or were delisted from any stock exchange(s), during their term of directorship in such Company.

None of our Directors have been or was identified as a wilful defaulter or Fraudulent Borrower as defined under SEBI ICDR Regulations.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce him to become or to help him qualify as a director, or otherwise for services rendered by him or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.

None of our Directors are associated with the securities market and 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 our director was associated have been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of our Directors have any interest in any property acquired in the three years preceding the date of this Prospectus or proposed to be acquired by our Company or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

## **INTEREST OF DIRECTORS**

All our Non-Executive Directors including Independent Director may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee thereof and as well as to the extent of reimbursement of expenses payable to them under the Articles. Our Executive Directors deemed to be interested to the extent of remuneration payable to them pursuant to Articles of the Company and resolution approved by the Board of Directors/ Members of our Company, as the case may be, time to time for services rendered as an officer or employee of our Company. The Directors may also be deemed to be interested in the Equity Shares, if any, held by them and/or any Equity Shares that may be held by their relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoters and in any dividend distribution which may be made by our Company in the future. For the shareholding of the Directors, please refer chapter titled ***"Our Management"*** on page 154 of this Prospectus.

Other than our Promoter directors, none of the other Directors have any interest in the promotion of our Company other than in the ordinary course of business.

No sum has been paid or agreed to be paid to our directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/her to become, or to qualify him/her as a Director, or otherwise for services rendered by him/her or by such firm or company, in connection with the promotion or formation of our Company.

Except as stated in the chapters titled ***"Our Business"*** and ***"Restated Financial Statement"*** beginning on pages 117 and 185 of this Prospectus, none of our directors have any interest in the property acquired or proposed to be acquired by our Company.

Except as stated in the chapter titled ***"Restated Financial Statement"*** beginning on page 185 of this Prospectus, our directors do not have any other interest in our Company or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery.

As on date of this Prospectus, no loans have been availed by our Directors from our Company.

## **PAYMENT OF BENEFITS (NON-SALARY RELATED)**

Except as disclosed above, no amount or benefit has been paid or given in last three years or is intended to be paid or given to any of our directors except the remuneration for services rendered and/or sitting fees as Directors.

### **Contingent and Deferred Compensation payable to Directors.**

No Director has received or is entitled to any contingent or deferred compensation.

### **Bonus or profit-sharing plan for the Director**

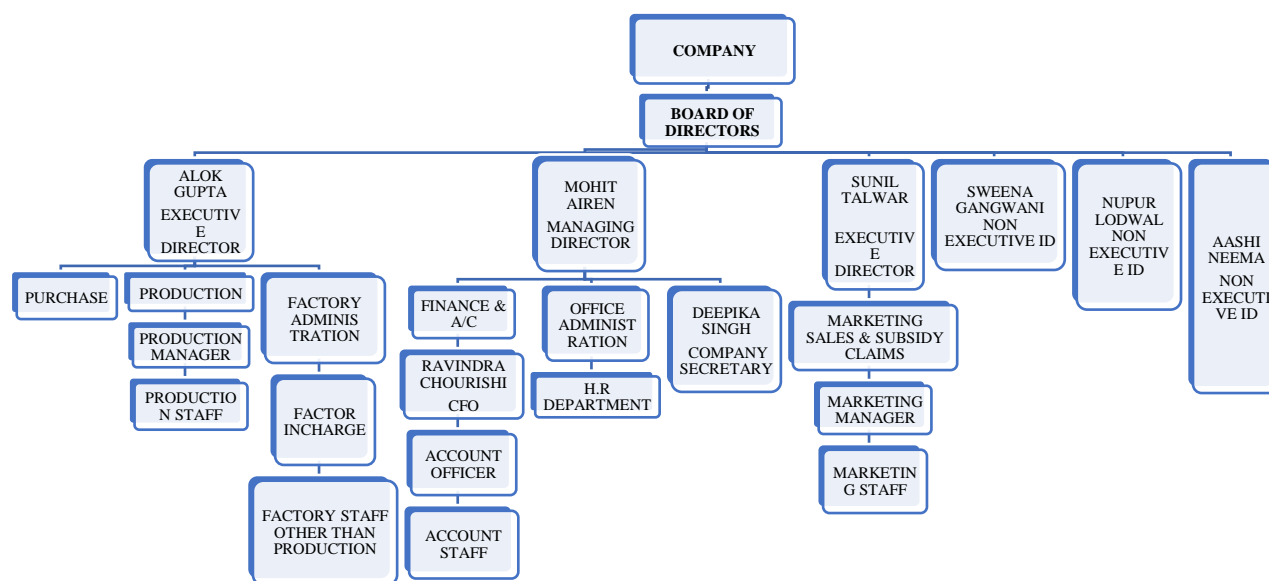
Our Company does not have any bonus or profit-sharing plan for our directors.

### **Changes in the board of directors in the last three (3) years immediately preceding the date of Prospectus.**

There has been no change in the Board of Directors, except as stated below during the last three (3) years preceding the date of Prospectus:

<b>Name of Director</b>	<b>Date of Appointment</b>	<b>Date of Change of Designation</b>	<b>Date of cessation</b>	<b>Reason of Resignation</b>
Ms. Meenkashi Gupta	–	–	18.03.2020	Due to her pre occupation
Mr. Sunil Kumar Talwar	08.04.2023	–	–	–
Mr. Mohit Airen	–	08.05.2023	–	–
Ms. Aashi Neema	08.05.2023	–	–	–
Ms. Surabhi Agrawal	08.05.2023	–	02.03.2024	Due to her pre occupation
Ms. Nupur Lodwal	08.05.2023	–	–	–
Mr. Amod Jha	08.03.2024	-	01.08.2024	Due to his pre occupation
Ms. Sweena Gangwani	01.08.2024	-	-	-

## MANAGEMENT ORGANISATION CHART



## CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (ICDR) Regulations, 2018 will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the SME platform of NSE. The requirements pertaining to the composition of the Board of Directors and the constitution of the committees such as the Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee as applicable on us, have been complied with.

Our Board has been constituted in compliance with the Companies Act, 2013 and in accordance with the best practices in corporate governance. Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed reports on its performance periodically.

Our Board of Directors Consist of Six (6) directors of which three (3) are Independent Directors, and we have one (1) Woman director on the Board. The Constitution of our Board is in Compliance with Section 149 of the Companies Act, 2013.

Our Company has constituted the following committees:

## COMMITTEES OF OUR BOARD

Our Board has constituted the following committees including those for compliance with corporate governance requirements:

### **AUDIT COMMITTEE**

As per section 177 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 a resolution of our Board Meeting dated August 28, 2023. Further due to change of independent director Ms. Surabhi Agrawal has resigned from all there positions hold by her in the company on March 2, 2024 and Mr. Amod Jha who was appointed on March 8, 2024 in place of Surabhi Agrawal as Independent Director. Later on 01/08/2024 Mr. Amod Jha has resigned the post of Independent Director and Ms. Sweena Gangwani was appointed as Non – Executive Independent Director on 01/08/2024.

The Audit Committee comprises of:

Name of Director	Designation in Committee	Nature of Directorship
Ms. Nupur Lodwal (DIN- 10150318)	Chairperson	Non-Executive Independent Director
Ms. Sweena Gangwani (DIN- 08852555)	Member	Non-Executive Independent Director
Mr. Mohit Airen (DIN-00326470)	Member	Executive Director

Set forth below are the scope, functions, and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations.

### **Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

1. to investigate any activity within its terms of reference
2. to seek information from any employee
3. to obtain outside legal or other professional advice; and
4. to secure attendance of outsiders with relevant expertise, if it considers necessary; and
5. Such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

### **Role of Audit Committee**

The role of the Audit Committee shall include the following:

1. The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
2. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

3. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
4. 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;
5. Changes, if any, in accounting policies and practices and reasons for the same;
6. Major accounting entries involving estimates based on the exercise of judgment by management;
7. Significant adjustments made in the financial statements arising out of audit findings;
8. Compliance with listing and other legal requirements relating to financial statements;
9. Disclosure of any related party transactions;
10. Qualifications in the audit report; and
11. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
12. Approval or any subsequent modification of transactions of the company with related parties;
13. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases
14. 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.
15. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
16. 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.
17. 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.
18. Discussion with internal auditors any significant findings and follow up there on.
19. Examination of the financial statement and the auditors' report thereon;
20. Approval or any subsequent modification of transactions of the company with related parties;
21. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
22. Reviewing, with the management, the quarterly and half yearly financial statements before submission to the board for approval
23. Scrutiny of inter-corporate loans and investments;
24. Discussion with internal auditors of any significant findings and follow up there on;
25. 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;
26. Discussion with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
27. Valuation of undertakings or assets of the company, wherever it is necessary;
28. Evaluation of internal financial controls and risk management systems;
29. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ Prospectus/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
30. The Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
31. The Committee shall have authority to investigate into any matter in relation to the items specified above or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company.
32. To investigate any other matters referred to by the Board of Directors;

33. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
34. Carrying out any other function as may be required / mandated as per the provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or any other applicable laws;
35. Reviewing the utilization of loan and/or advances from investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances /investments;
36. the Audit Committee shall mandatorily review the following information:
  - a. Management discussion and analysis of financial information and results of operations;
  - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
  - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

As required under Regulation 18 of the SEBI (LODR) Regulations, the Audit Committee shall meet at least four times in a year, and not more than one hundred and twenty days shall elapse between two meetings. The quorum of the meeting shall be either two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

#### **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.

Our Stakeholders' Relationship Committee was constituted pursuant to a resolution of our Board Meeting dated August 28, 2023. Further due to change of independent director Ms. Surabhi Agrawal has resigned from all their positions hold by her in the company on March 2, 2024 and Mr. Amod Jha who was appointed on March 8, 2024 in place of Ms. Surabhi Agrawal as member of Stakeholder Relationship Committee. Later on 01/08/2024 Mr. Amod Jha has resigned the post of Independent Director and Ms. Sweena Gangwani was appointed as Non – Executive Independent Director on 01/08/2024

The Stakeholders' Relationship Committee comprises of:

<b>Name of Director</b>	<b>Designation in Committee</b>	<b>Nature of Directorship</b>
Ms. Nupur Lodwal (DIN-10150318)	Chairperson	Independent –Non-Executive Director
Ms. Sweena Gangwani (DIN- 08852555)	Member	Non-Executive Independent Director
Ms. Aashi Neema (DIN-10149905)	Member	Non-executive Director

#### **Role of the Stakeholders Relationship Committee**

- 1 Review of measures taken for effective exercise of voting rights by shareholders
- 2 Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures, or any other securities



- 3 Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time
- 4 Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services
- 5 Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- 6 Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority. The Stakeholders' Relationship Committee is required to meet at least once in a year under Regulation 20(3A) of the SEBI Listing Regulations.

As required under Regulation 20 of the SEBI (LODR) Regulations, the Stakeholders' Relationship Committee shall meet at least once in a year

#### **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.

Our Nomination and Remuneration Committee was constituted pursuant to a resolution of our Board Meeting dated August 28, 2023. Further due to change of independent director Ms. Surabhi Agrawal has resigned from all their positions hold by her in the company on March 2, 2024 and Mr. Amod Jha who was appointed on March 8, 2024 in place of Surabhi Agrawal as Independent Director and Chairman of Nomination and Remuneration Committee. Later on 01/08/2024 Mr. Amod Jha has resigned the post of Independent Director and Ms. Sweena Gangwani was appointed as Non – Executive Independent Director on 01/08/2024

The Nomination and Remuneration Committee comprises of

<b>Name of Director</b>	<b>Designation in Committee</b>	<b>Nature of Directorship</b>
Ms. Sweena Gangwani (DIN- 08852555)	Chairperson	Non-Executive Independent Director
Ms. Nupur Lodwal (DIN-10150318)	Member	Independent Non –Executive Director
Ms. Aashi Neema (DIN-10149905)	Member	Non –Executive Director

#### **Role 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.

Set forth below are the role of our Nomination and Remuneration Committee:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees (**“Remuneration Policy”**).
2. The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:
  - (i) The level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully
  - (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.
3. Formulation of criteria for evaluation of independent directors and the Board
4. Devising a policy on Board diversity
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director’s performance (including independent director)
6. Analysing, monitoring and reviewing various human resource and compensation matters
7. Deciding 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
8. Determining the Company’s policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors
9. Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary
10. Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time
11. Reviewing and approving the Company’s compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws.
12. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, if applicable.
13. Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
  - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
14. Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority. The

Nomination and Remuneration Committee is required to meet at least once in a year under Regulation 19(3A) of the SEBI Listing Regulations.

As required under Regulation 19 of the SEBI (LODR) Regulations, the Nomination and Remuneration Committee shall meet at least once in a year. The quorum for a meeting shall be either two members present, or one-third of the members of the, whichever is greater, provided that there should be a minimum of one independent directors present.

#### **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 Corporate Social Responsibility Committee was last reconstituted pursuant to a resolution passed by our Board in its meeting held on July 02,2024 Further due to change of independent director Ms. Surabhi Agrawal has resigned from all their positions hold by her in the company on March 2, 2024 and Mr. Amod Jha who was appointed on March 8, 2024 in place of Surabhi Agrawal as Independent Director and Member of Corporate Social Responsibility Committee. Later on 01/08/2024 Mr. Amod Jha has resigned the post of Independent Director and Ms. Sweena Gangwani was appointed as Non – Executive Independent Director on 01/08/2024

The Corporate Social Responsibility Committee comprises of:

<b>Name of Director</b>	<b>Designation in Committee</b>	<b>Nature of Directorship</b>
Mr. Mohit Airen (DIN-00326470)	Chairman	Managing Director
Mr. Alok Gupta (DIN:00321894)	Member	Executive Director
Ms. Sweena Gangwani (DIN- 08852555)	Member	Non-Executive Independent Director

The scope and functions of the Corporate Social Responsibility Committee are in accordance with Section 135 of the Companies Act, 2013 and its terms of reference as stipulated pursuant to resolution passed by our Board in its meeting held on July 02,2024 inter alia, include:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy stipulating, amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;
- To review and recommend the amount of expenditure to be incurred on the activities referred to in (a) and amount to be incurred for such expenditure shall be as per the applicable law;
- To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
- To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

- f) To review and monitor the Corporate Social Responsibility Policy of the company and its implementation from time to time, and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- g) To do such other acts, deeds and things as may be required to comply with the applicable laws; and;
- h) To take note of the Compliances made by implementing agency (if any) appointed for the corporate social responsibility of the Company.
- i) details of need and impact assessment, if any, for the projects undertaken by the Company; and to perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.
- j) The Corporate Social Responsibility Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its corporate social responsibility policy, which shall include the following:
  - (i) the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act;
  - (ii) the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act;
  - (iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - (iv) monitoring and reporting mechanism for the projects or programmes

#### **Policy on disclosures and internal procedure for prevention of Insider Trading**

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the EMERGE Platform of NSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. The Board of Directors at their meeting held on July 2, 2024 have approved and adopted the policy for prevention of insider trading.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

#### **Policy for determination of materiality & materiality of Related Party Transactions and on dealing with Related Party Transactions**

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on EMERGE Platform of NSE. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the EMERGE Platform of NSE. The Board of Directors at their meeting held on July 2, 2024 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

### **KEY MANAGERIAL PERSONNEL**

#### **Profile of Key Managerial Personnel**

The details of the Key Managerial Personnel as on the date of this Prospectus are set out below. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

**Mr. Mohit Airen** aged 46 years, is Graduate in Commerce and have Master Degree in Business Economics from Devi Ahilya Vishwavidyalaya, Indore. He also has Certificate of Excellence from Microsoft entitled as Microsoft Certified Professional. He has more than 20 years of experience in managing business of corporate entities. He is associated with company since 16/09/2013 and extensive experience in fertilizer industry. The knowledge and experience held by Mr. Mohit Airen will be beneficial in the interest of the Company. He has been appointed as Managing Director of the Company.

**Mr. Ravindra Chourishi** aged 61 years holds a master degree in commerce with experience in financial reporting and accounting. He is aware of all new legislation, compliance with existing regulatory requirements. The ability to maintain clear and accurate records. Able to work individually with minimal supervision or as part of a team. He had been working in the company since November 19, 2020 as Chief Accounts Officer. He has been previously associated with Gujrat Ambuja Exports Limited, as senior Manager (Accounts) and M/s. Venkatesh Beverages Limited. He has wide knowledge of modern software application and accounts, income tax and allied laws. He has 37 years of experience of finance and accounts of corporate bodies / limited companies. The knowledge and experience held by Mr. Ravindra Chourishi will be beneficial in the interest of the Company. He has been appointed as Chief Financial Officer of the Company.

**Ms. Deepika Singh** is the Company Secretary and Compliance Officer of our Company. She has professional experience of 5 years in the field of compliances. She holds a bachelor's degree in Commerce and law. She also holds master's degree in commerce from Bundelkhand University Jhansi. She is also a member of the Institute of Company Secretaries of India. She has been previously associated with KPSJ & Associates LLP- Ahmedabad, Gujarat . In our Company, she is responsible for ensuring compliance with statutory and regulatory requirements. She was appointed from April 1, 2024, no remuneration was paid or payable to her in Fiscal 2024.

**Mr. Alok Gupta** aged 47 years, academically he is Graduate in Commerce 1997 from Devi Ahilya University Indore. He is the Executive director in the company since September 16, 2013 when initially the company was acquired from earlier promoters in the year 2013. He has more than 20 years of experience in managing the business of corporate entities.

**Mr. Sunil Kumar Talwar** aged 69 years has been appointed as Director of the Company on 08/04/2023 for looking after Marketing function of our Company. He has 40 years of experience in working as Marketing Executive in various Fertilizers Manufacturing Companies established nearby Indore. Earlier before Joining as Director with the Company, he was associated with the company for last 7 years as consultant. Original educational certificates of Mr. Talwar are not traceable and hence no disclosures are made regarding his educational qualifications.

#### **Status of Key Management Personnel in our Company**

All our Key Managerial Personnel are permanent employees of our Company. The term of office of our key managerial personnel is until the attainment of 70 years of age.

#### **Shareholding of Key Management Personnel in our Company**

The details of the shareholding of our Key Managerial Personnel as on the date of this Prospectus are as follows:

Sr. No.	Name of the Key Managerial Personnel	Designation	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
1	Mr. Mohit Airen	Managing Director	71,87,220	40.29	27.67
2	Mr. Alok Gupta	Executive Director	58,43,880	32.76	22.02
3	Mr. Sunil Talwar	Executive Director	-	Nil	Nil
4	Mr. Ravindra Chaurishi	Chief Financial Officer	-	Nil	Nil
5	Ms. Deepika Singh	Company Secretary and Compliance Officer	-	Nil	Nil
	<b>Total</b>		<b>1,30,31,100</b>	<b>73.05</b>	<b>49.68</b>

#### **INTERESTS OF KEY MANAGEMENT PERSONNEL**

The Key Management Personnel 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. Our Key Management Personnel may be deemed interested to the extent of Equity Shares that may be subscribed for and allotted to them, pursuant to this Issue. Such Key Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Our Key Management Personnel may 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 the Issue.

#### **PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)**

Except as disclosed in this Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards superannuation, ex-gratia rewards. Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

Except as stated under section titled '**Financial Information**' beginning on page 185 of this Prospectus, none of the beneficiaries of loans and advances or sundry debtors are related to our Company, our Directors or our Promoters.

#### **REMUNERATION/ COMPENSATION PAID TO OUR KEY MANAGERIAL PERSONNEL**

The remuneration / compensation paid to any of our Key Managerial Personnel during the financial year 2022-23 and 2023-2024

(Rs. In Lakhs)

<b>Name of KMP</b>	<b>Remuneration Paid in FY 2022-23</b>	<b>Remuneration Paid in FY 2023-24</b>
Mr. Mohit Airen	52.20	52.20
Mr. Ravindra Chourishi*	6.25	6.30
Mr. Alok Gupta	34.60	32.40
Ms. Deepika Singh*	Nil	Nil

\*Ravindra Kumar Chourishi was appointed as CFO on 08/05/2023 and Deepika Singh was appointed as Company Secretary and Compliance officer w.e.f 01/04/2024.

#### **Relationship among Key Managerial Personnel and among Key Management Personnel and directors**

None of the Key Managerial Personnel is related to each other.

#### **Arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the Key Managerial Personnel was selected as key managerial personnel**

None of the above Key Managerial Personnel has been selected pursuant to any major shareholders, customers, suppliers or others pursuant to which any of the Key Managerial Personnel was selected as key managerial personnel.

#### **Details of Service Contracts of the Key Managerial Personnel**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

#### **Bonus and/ or Profit-Sharing Plan for the Key Managerial Personnel**

Our Company does not have any bonus and/ or profit-sharing plan for the Key Managerial Personnel. However, our Company makes bonus payments to the employees based on their performances, which is as per their terms of appointment.

#### **Contingent and Deferred Compensation payable to Key Managerial Personnel**

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

#### **Employee Stock Option or Employee Stock Purchase**

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

**Loans availed by Directors/ Key Managerial Personnel of our Company**

None of the Directors or Key Managerial Personnel have availed loan from our Company which is outstanding as on the date of this Prospectus.

**Changes in Our Company's Key Managerial Personnel during the last three (3) years**

Changes in our Key Management Personnel during the three years immediately preceding the date of this Prospectus are set forth below: The Company has appointed following person as KMP.


<b>Name of KMP</b>	<b>Event</b>	<b>Date of change</b>	<b><i>Reasons for Change</i></b>
Mr. Mohit Airen	Appointment as Managing Director	08/05/2023	Mohit Airen was initially appointed as a director of the company on 16 <sup>th</sup> December 2013. Susequently, based on his qualification and experience, the members of the company decided to appoint him as the Managing Director.
Mr. Ravindra Chaurishi	Appointment as Chief Financial Officer	08/05/2023	To meet regulatory requirements.
Ms. Disha Soni	Appointment as Company Secretary and Compliance Officer	08/05/2023	To meet regulatory requirements.
Ms. Disha Soni	Cessation as Company Secretary and Compliance Officer	26/03/2024	Due to her prior commitments and pre-occupied schedule.
Ms. Deepika Singh	Appointment as Company Secretary and Compliance Officer	01/04/2024	To Fulfil the Vacancy of Ms. Disha Soni.

## OUR PROMOTER AND PROMOTER GROUP


### OUR PROMOTER

**Mr. Mohit Airen and Mr. Alok Gupta** are the Promoters of our Company. As on the date of this Prospectus, our Promoters hold in aggregate 1,30,31,100 Equity Shares of face value ₹ 10 /- each, representing 73.05% of the issued, subscribed and paid-up Equity Share Capital of our Company. For details of the build-up of our Promoters' shareholding in our Company, please refer to the chapter titled *“Capital Structure –Shareholding of our Promoters”* beginning on page no. 65 of this Prospectus.

### **BRIEF PROFILE OF OUR PROMOTERS ARE AS FOLLOWS:**

	<b>Mr. Mohit Airen</b>	
	<b>Qualification</b>	B.COM, MBA
	<b>Age</b>	47 Years
	<b>Address</b>	Flat No. 810, floor-8, Dilpasand Greens, plot RCM -4, Scheme No. 140 Indore- Pin 452002, India
	<b>Experience</b>	<p>Mr. Mohit Airen aged 47 years, is Graduate in Commerce and have Master Degree in Business Economics from Devi Ahilya Vishwavidyalaya, Indore. He also has Certificate of Excellence from Microsoft entitled as Microsoft Certified Professional. He has more than 20 years of experience in managing business of corporate entities.</p> <p>He is associated with company since 16/09/2013 and have extensive experience in fertilizer industry. The knowledge and experience held by Mr. Mohit Airen will be beneficial in the interest of the Company. He has been appointed as Managing Director of the Company.</p>
	<b>Occupation</b>	Director
	<b>Permanent Account Number</b>	ABXPA1053F
	<b>No. of Equity Shares held in Company</b>	71,87,220
	<b>•% of Shareholding (Pre-Issue)]</b>	40.29 %
	<b>DIN</b>	00326470



	<b>Mr. Alok Gupta</b>	
	<b>Qualification</b>	B.COM
	<b>Age</b>	48 Years
	<b>Address</b>	House No. 170, Rani Bag (Main) village Limbodi, Khandwa Road, Indore - 452001
	<b>Experience</b>	Alok Gupta is Graduate in Commerce 1997 From Devi Ahilya University Indore. He is associated with the company as Director since September 16, 2013. He has more than 20 years of experience in managing the business of corporate entities.
	<b>Occupation</b>	Director
	<b>Permanent Account Number</b>	ACHPG2799K
	<b>No. of Equity Shares held in Company</b>	58,43,880
	<b>[% of Shareholding (Pre-Issue)]</b>	32.76%
	<b>DIN</b>	00321894

## DECLARATION

Our Company confirms that the Permanent Account Number (PAN), Bank Account Number(s), Aadhar Card Number, Driving License Number and Passport Number(s) of our Promoters shall be submitted to the Stock Exchange at the time of filing the Red Herring Prospectus / Prospectus.

Our Promoters have confirmed that they have not been identified as willful defaulters or fraudulent borrower by the RBI or any other governmental authority.

Our Promoters has not been declared as a fugitive economic offender under the provisions of Section 12 of the Fugitive Economic Offenders Act, 2018.

No violations of securities law have been committed by our Promoters or members of our Promoter Group or any Group Companies in the past or is currently pending against them. None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which any of our Promoters are or were associated as a Promoter, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

## OTHER VENTURES OF OUR PROMOTERS

As on the date of this Prospectus, our Promoters are not involved in any other ventures.

## EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

For details in relation to experience of our Promoters in the business of our Company, please refer to the chapter titled ***“Our Management”*** beginning on page 154 of this Prospectus.

## CHANGE IN MANAGEMENT AND CONTROL OF OUR COMPANY

There has not been any change in the control of our Company in the five years immediately preceding the date of this Prospectus.

## **INTEREST OF PROMOTERS**

Our Promoters is interested in our Company to the extent (1) that they have promoted our Company; (2) of their respective shareholding, the shareholding of their relatives and entities in which the Promoters are interested and which hold Equity Shares in our Company and the dividend payable upon such shareholding, if any, and other distributions in respect of the Equity Shares held by them, their relatives or such entities, if any; (3) employment related benefits paid by our Company i.e. remuneration and reimbursement of expenses payable to them in such capacity of Directors and Key Managerial Personnel of our Company; and (4) personal guarantees and mortgage given by the Promoters of his property for securing the loans availed by the Company. For further details, please refer to ***“Summary of Related Party Transactions”*** in chapters titled ***“Summary of Offer Document”***, ***“Capital Structure”***, ***“History and Certain Corporate Matters”*** and ***“Financial Indebtedness”*** beginning on pages 18, **65**, **150** and **284**, respectively of this Prospectus.

## **INTEREST IN THE PROPERTIES OF OUR COMPANY**

Except as mentioned in the chapters titled ***“Our Business”***, ***“Our Management”*** and ***“Restated Financial Statement”*** beginning on pages 117, 154, 185 respectively of this Prospectus, neither the Promoters nor any member of the Promoter group have any interest in any property acquired by or proposed to be acquired by our Company.

## **INTEREST OF PROMOTERS IN THE PROMOTION OF OUR COMPANY**

Our Company is promoted by the Promoters in order to carry on its business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any,

## **BUSINESS INTEREST**

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the personal guarantee given by our Promoter other than in the normal course of business. For further details, please refer to ***“Note -31 -Related Party Transactions”*** in the chapter titled ***“Restated Financial Statements”*** beginning on page 232 of this Prospectus.

## **INTEREST OF PROMOTER IN ACQUISITION OF LAND, CONSTRUCTION OF BUILDING AND SUPPLY OF MACHINERY, ETC**

As on the date of filing of the Prospectus, our Promoters are not interested in any transaction for acquisition of land, construction of buildings and supply of machinery in respect of the object of the issue

## **COMMON PURSUITS OF OUR PROMOTERS**

Our Promoters are not involved in any common pursuits with our Company, or our Subsidiaries as on the date of this Prospectus.

## **PAYMENT OF AMOUNTS OR BENEFITS TO THE PROMOTERS OR PROMOTER GROUP DURING THE LAST TWO YEARS**

Except as stated in the chapters titled ***“Restated Financial Statements”*** and ***“Our Management”*** beginning on page 185 and 154 of this Prospectus, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the date of this Prospectus.

## **MATERIAL GUARANTEES**

Our Promoters have not given any material guarantees to any third parties with respect to Equity shares as on the date of this Prospectus.

## **COMPANIES WITH WHICH OUR PROMOTER HAS DISASSOCIATED IN THE LAST THREE (3) YEARS**

Our Promoters have not disassociated themselves from any company or firm during the three years preceding the date of filing of this Prospectus.

## **OUR PROMOTER GROUP**

Our Promoters Group in terms of Regulations 2(1) (pp) of the SEBI (ICDR) Regulations 2018, are as under:

### **A. The natural persons who are part of the Promoter Group (due to their relationships with our Promoter), other than our Promoter, are as follows:**

<b>Name of the Promoter</b>	<b>Name of the Relative</b>	<b>Relationship with the Promoter</b>
<b>Mr. Mohit Airen</b>	Aashi Gupta	Sister
	Sonu Airen	Spouse
	Nipun Airen	Son
	Pulkit Airen	Son
	Sarla Goyal	Spouse's Mother
	Amit Goyal	Spouse's Brother
	Rekha Agrawal	Spouse's Sister
<b>Mr. Alok Gupta</b>	Somchand Gupta	Father
	Komal Bai Gupta	Mother
	Sheetal Jain	Sister
	Priyanka Gupta	Sister
	Meenakshi Gupta	Spouse
	Maheep Gupta	Son
	Devishi Gupta	Daughter
	Chandramani Porwal	Spouse's Mother
	Rajesh Porwal	Spouse's Brother
	Ravindra Porwal	Spouse's Brother
	Manish Laad	Spouse's Sister

### **B. Entities forming part of Promoters Group:**

#### **Companies:**

Following companies are forming part of promoter group: -

1. Chatak Agro (India) Private Limited
2. Electronics Farming Solutions Associates (E-Fasal) Private Limited
3. Dhara Infracon Private Limited
4. Dhenu Nature Farms Private Limited
5. Shalini Plastics Pvt Ltd
6. Vitthal Agritech Private Limited
7. Divyashakti Foods Private Limited
8. DivyaJyoti Agritech Private Limited

#### **LLPs:**

There are no LLPs forming a part of the Promoters Group.

**Partnership Firms:**

Following are partnership firms forming a part of the Promoters Group:

1. Highyield Agritech Corporation
2. Divine Agro Products
3. Divyajyoti Organics Farm And Food
4. Divyajyoti Infrastructure
5. Aryavart Developers

**H.U.F.:**

Following are HUFs forming a part of the Promoters Group.

1. Mohit Airen HUF
2. Alok Gupta HUF

**Proprietary concern**

Shreeram Minerals is proprietary concerns forming a part of the Promoters Group.

**Other Persons forming part of Promoters Group**

There are no other persons forming a part of the Promoters Group

## OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term “group companies of our Company, for the purpose of disclosure in this Prospectus, shall include:

1) companies (other than the Promoter and the Subsidiaries of our Company) with which there were related party transactions, during the period for which financial information is disclosed in the Restated Consolidated Financial Information, as covered under the applicable accounting standards (i.e., Ind AS 24), and

2) such other companies as considered material by the Board pursuant to the Materiality Policy.

With respect to (2) above, our Board in its meeting held on July 02,2024 has adopted the Materiality Policy and has considered group companies of our Company to be such companies (other than the companies categorised under (1) above) that are a part of the Promoter Group (as defined in Regulation 2(1)(pp) of the SEBI ICDR Regulations) with which there were transactions with our Company during the most recent Financial Year, or the relevant stub period, included in the Restated Consolidated Financial Information, which individually or cumulatively in value, exceed 5% of the total restated consolidated revenue of our Company as derived from the Restated Consolidated Financial Information of the last completed full Financial Year.

As on the date of this Prospectus and based on the aforementioned materiality policy, there are 5 (Five) Group Companies of our Company.

Sr. No.	Name of Group Entities	Registered Office Address
1	Chatak Agro India Private Limited	305, Utsav Avenue, 12/5, Usha Ganj Jaora Compound, Indore G.P.O., Indore, Madhya Pradesh- 452001
2	Divya Jyoti Agritech Private Limited	305, Utsav Avenue, 12/5, Usha Ganj Jaora Compound, Indore G.P.O., Indore, Madhya Pradesh- 452001
3	Electronics Farming Solutions Associates (E-Fasal) Private Limited	305, Utsav Avenue, 12/5, Usha Ganj Jaora Compound, Indore G.P.O., Indore, Madhya Pradesh- 452001
4	Divya Shakti Foods Private Limited	305, Utsav Avenue, 12/5, Usha Ganj Jaora Compound, Indore G.P.O., Indore, Madhya Pradesh- 452001
5	Highyield Agritech Corporation	305, Utsav Avenue, 12/5, Usha Ganj Jaora Compound, Indore G.P.O., Indore, Madhya Pradesh- 452001

## DETAILS IN RELATION TO GROUP ENTITIES:

In accordance with the SEBI ICDR Regulations, information with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, of the top five Group Companies determined on the basis of their annual turnover, based on their respective audited financial statements for the preceding three years shall be hosted on their respective websites or the website of our Company as indicated below:

Sr No.	Top 5 Group Companies	Website
1	Chatak Agro India Private Limited	www.balajiphosphates.com
2	Divya Jyoti Agritech Private Limited	www.balajiphosphates.com
3	Electronics Farming Solutions Associates (E-Fasal) Private Limited	www.balajiphosphates.com
4	Divya Shakti Foods Private Limited	www.balajiphosphates.com
5	Highyield Agritech Corporation	www.balajiphosphates.com

Our Company has provided links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations. The information provided on the websites given above should not be relied upon or used as a basis for any investment decision.

The audited financial statements for the preceding three years have been uploaded on the website of our Company i.e. at <https://www.balajiphosphates.com> since there is no separate website for the group companies.

Neither our Company nor any of the Selling Shareholders nor any of the Company's, Selling Shareholder's respective directors, employees, affiliates, associates, advisors, agents or representatives accept any liability whatsoever for any loss arising from any information presented or contained in the websites given above

#### **NATURE AND EXTENT OF INTERESTS OF OUR GROUP COMPANIES**

As on the date of this Prospectus, our Group Companies do not have any interest in the promotion or formation of our Company. Our Group Companies do not have any interest in any property acquired by our Company in the three years preceding the date of filing this Prospectus or proposed to be acquired by it as on the date of this Prospectus. Except as disclosed under "**Other Financial Information – Related Party Transactions**" on page 232, our Group Companies do not have an interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery. Except as disclosed under "**Related Party Transactions**" on page 232 and in the ordinary course of business, our Group Companies do not have or currently propose to have any business interest in our Company.

#### **RELATED BUSINESS TRANSACTIONS**

Except as set forth in "**Related Party Transactions**" on page 232, no other related business transactions have been entered into between our Group Companies and our Company.

#### **COMMON PURSUITS OF OUR GROUP COMPANIES**

None of Our Group Companies are involved in any common pursuits with our Company, our Subsidiaries or other Group Companies as on the date of this Prospectus.

#### **LITIGATION**

As on date of this Prospectus, our Group Companies are not parties to any pending litigation which will have a material impact on our Company.

#### **CONFIRMATIONS**

None of our Group Companies have any securities listed on a stock exchange. Further, none of our Group Companies has made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Prospectus.

It is clarified that details available on the websites of our Group Companies and our Company do not form part of this Prospectus. Anyone placing reliance on any other source of information, including the websites of Company or our Group Companies mentioned above, would be doing so at their own risk.

## **DIVIDEND POLICY**

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. The declaration of dividend, if any, will depend on a number of factors, including but not limited to the future expansion plans and capital requirements, profit earned during the financial year, capital requirements, and surpluses, contractual restrictions, liquidity and applicable taxes including dividend distribution tax payable by our Company and any other factors considered by our Board of Directors. The Articles of Association also provides discretion to our Board to declare and pay interim dividends. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, please refer chapter titled “*Financial Indebtedness*” beginning on page 284 of this Prospectus.

All dividend payments are made in cash to the Shareholders of our Company. Our Company has not adopted any Dividend Distribution Policy as on the date of this Prospectus since the requirements under Regulation 43A of SEBI Listing Regulations are not applicable to the Company. However, depending upon the availability of distributable profits and fund flow, dividends maybe recommended by the Board of Directors and shall pay dividends in accordance with the provisions of the Companies Act, 2013, the Memorandum of Association and Articles of Association and other Applicable Laws.

Our Company has not declared and/or paid any dividend on the Equity Shares since incorporation.

**CHAPTER VI – FINANCIAL INFORMATION**  
**RESTATED FINANCIAL STATEMENT**

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## INDEPENDENT AUDITORS' EXAMINATION REPORT ON RESTATED CONSOLIDATED SUMMARY STATEMENTS

(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,  
The Board of Directors,  
**Balaji Phosphates Limited**  
(Formerly known as **Balaji Phosphates Private Limited**)  
305 Utsav Avenue, 12/5, Usha Ganj Jaora Compound,  
Indore G.P.O, Indore – 452 001  
Madhya Pradesh, India

Dear Sirs,

1. We Bagaria & Co. LLP ("BNC") and Mishra Rajesh Kamal & Associates ("MRK") , (BNC and MRK are collectively referred to as "Joint Auditors" and the references to the Joint Auditors as "we", "us" or "our", in this report, shall be construed accordingly) have examined the attached Restated Consolidated Summary Statements of **Balaji Phosphates Limited** (Formerly known as **Balaji Phosphates Private Limited**) (the "Company" or the "Issuer") and its subsidiary (the Company and its subsidiary together referred to as the "Group") comprising the Restated Consolidated Summary Statement of Assets and Liabilities as at August 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Consolidated Summary Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Summary Statement of Changes in Equity, the Restated Consolidated Summary Cash Flow Statements for the period ended August 31, 2024 and year ended March 31, 2024, March 31, 2023 and March 31, 2022, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Consolidated Summary Statements"), annexed to this report for the purpose of inclusion in the Red Herring Prospectus ("RHP") and the Prospectus (Prospectus and together with RHP, the "Offer Documents") prepared by the Company in connection with its proposed Initial Public Offer of equity shares of face value of Rs. 10 each ("IPO") on the EMERGE Platform of NSE Limited. The Restated Consolidated Summary Statements, has been approved by the Board of Directors of the Company (the "Board of Directors") at their meeting held on February 20, 2025.
2. These Restated Consolidated Summary Statements have been prepared in accordance with the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note");

3. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Summary Statements for the purpose of inclusion in the Offer Documents to be filed with Securities Exchange Board of India, relevant stock exchanges and Registrar of Companies (ROC), Gwalior in connection with the proposed SME IPO. The Restated Consolidated Summary Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure V to the Restated Consolidated Summary Statements. The respective Board of Directors of the Companies included in the Group responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Summary Statements. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.

4. We have examined such Restated Consolidated Summary Statements taking into consideration:

a) (i) the terms of reference and terms of engagement agreed with you by BNC vide engagement letter dated January 6, 2025; and

(ii) the terms of reference and terms of engagement agreed with you by MRK vide engagement letter dated January 6, 2025,

requesting us to carry out the assignment, in connection with the proposed IPO of the Company.

b) the Guidance Note on Reports in Company Prospectuses (Revised 2019) (as amended) issued by the Institute of Chartered Accountants of India ("ICAI"), (the "Guidance Note").

c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Summary Statements; and

d) the requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

5. These Restated Consolidated Summary Statements have been compiled by the management from:

a) Audited Special Purpose Interim Financial Statements of the Company as at and for the five month period ended August 31, 2024 prepared by the Company in accordance with Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") as prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India as per the requirements of Ind AS 34 which have been approved by the Board of Directors at their meeting held on February 20, 2025.

b) Audited Consolidated financial statements of the Company as at and for the year ended March 31, 2024, prepared by the Company in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on September 5, 2024.

c) Audited Special Purpose Consolidated financial statements of the Company as at and for the years ended March 31, 2023 and March 31, 2022, prepared by the Company in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles

generally accepted in India which have been approved by the Board of Directors at their meetings held on September 5, 2024.

6. For the purpose of our examination, we have relied on:

- a. Auditors' report jointly issued by us dated February 20, 2025, on the Audited Special Purpose Interim Consolidated Financial Statements of the Group as at and for the five month period ended August 31, 2024 as referred to in Para 5(a) above, which included an "Emphasis of Matter" and "Other Matter" paragraph as mentioned below:

***"Emphasis of matter – Basis of preparation and restriction of use"***

*We draw attention to Note 1.1 to the Special Purpose Interim Consolidated financial statements, which describes the basis of preparation of these Special Purpose Interim Consolidated financial statements which states that these Special Purpose Interim Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS). Accordingly, the Special Purpose Interim Consolidated Financial Statements may not be suitable for any other purpose and this report should not be used, referred to or distributed for any other purpose. We shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. This report may be submitted to any regulatory authority, and may be relied upon by other parties, in connection with the IPO. We have no responsibility to update this report for events and circumstances occurring after the date of this report. Our opinion is not modified in respect of this matter."*

***"Other Matter"***

*We did not audit the financial statements of a subsidiary included in the Special Purpose Interim Consolidated Financial Statements of the Group as at and for the five month period ended August 31, 2024 referred to in paragraph 6(a) above, whose financial statements reflect total assets of Rs. 985.93 lakhs as August 31, 2024, total revenues of Rs. 871.67 Lakhs and net cash outflows of Rs. 6.34 Lakhs for the five month period ended August 31, 2024. These Financial Statements have been audited by M/s MPV & Company, Chartered Accountants, whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on such audited financial statements as provided by the other auditor.*

- b. Auditors' report jointly issued by BNC and M/s MPV & Company, (M/s MPV & Company were the Erstwhile Joint Statutory Auditor of the Issuer for the year ended March 31, 2024) dated September 5, 2024, on the Audited Consolidated Financial Statements of the Group as at and for the year ended March 31, 2024 as referred to in Para 5(b) above which included the Other Matter paragraph as below:

***"Other Matter"***

- i. *We did not audit the financial statements of its subsidiary included in the consolidated financial statements of the Group whose financial statements reflect total assets of Rs. 795.48 Lakhs as at March 31, 2024; total revenue for the year ended March 31, 2024 of Rs. 3341.05 Lakhs, Net profit and other comprehensive income for the year ended March 31, 2024 of Rs. 83.97 Lakhs and net cash outflow of Rs.2.22 Lakhs for the year ended March 31, 2024 as considered in the consolidated financial statements. These financial statements have been audited by M/s MPV & Company, whose report has been furnished to us by the Management and our opinion on*

*the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.*

- ii. *Opening balances has been taken on the basis of the financial statements for the year ended 31st March, 2023 audited by the predecessor auditor M/s MPV & Company, Chartered Accountants, who have issued an unmodified report dated September 02, 2023.*
- c. *Auditors' report issued by M/s MPV & Company, dated September 5, 2024 on the special purpose audited consolidated financial statements of the Company for the financial years ended March 31, 2023 and March 31, 2022 as referred to in Para 5 (c) above which included an Emphasis of Matter and Other Matter paragraph as mentioned below which did not require any correction (included in Annexure VIC in the attached Restated Consolidated Summary Statements):*

### **AS AT AND FOR THE YEAR ENDED MARCH 31, 2023**

#### ***"Emphasis of matter – Basis of preparation and restriction of use"***

1. *We draw attention to Note 1.1 to the Special Purpose Consolidated financial statements, which describes the basis of preparation of these Special Purpose Consolidated financial statements which states that these Special Purpose Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS). Accordingly, the Special Purpose Ind AS financial statements may not be suitable for any other purpose and this report should not be used, referred to or distributed for any other purpose. We have no responsibility to update this report for events and circumstances occurring after the date of this report. Our opinion is not modified in respect of this matter."*
2. *The Special purpose Ind AS financial statements for the year ended March 31, 2023 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP or Previous GAAP (Indian GAAP or Previous GAAP means accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014) values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (April 1, 2021) and as per the presentation, accounting policies and grouping/classifications followed as at and for the year ended March 31, 2024. We shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. This report may be submitted to any regulatory authority, and may be relied upon by other parties, in connection with the IPO. Our opinion is not modified in respect of this matter.*

#### ***"Other Matter"***

*The Company has prepared a separate set of Statutory Financial Statements for the year ended March 31, 2023 ("Ind AS Consolidated Financial Statements") in accordance with the Ind AS prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India which were audited by us vide our unmodified auditor's report dated September 18, 2023. Our*

*opinion is not modified in respect of the above matter.*

**AS AT AND FOR THE YEAR ENDED MARCH 31, 2022**

***“Emphasis of matter – Basis of preparation and restriction of use”***

- i. We draw attention to Note 1.1 to the Special Purpose Consolidated financial statements, which describes the basis of preparation of these Special Purpose Consolidated financial statements which states that these Special Purpose Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS). Accordingly, the Special Purpose Ind AS financial statements may not be suitable for any other purpose and this report should not be used, referred to or distributed for any other purpose. We have no responsibility to update this report for events and circumstances occurring after the date of this report. Our opinion is not modified in respect of this matter.”*
- ii. The Special purpose Ind AS financial statements for the year ended March 31, 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP or Previous GAAP (Indian GAAP or Previous GAAP means accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014) values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (April 1, 2021) and as per the presentation, accounting policies and grouping/classifications followed as at and for the year ended March 31, 2024. We shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. This report may be submitted to any regulatory authority, and may be relied upon by other parties, in connection with the IPO. Our opinion is not modified in respect of this matter.*

***“Other Matter”***

*The Company has prepared a separate set of Statutory Financial Statements for the year ended March 31, 2022 (“Indian GAAP Financial Statements”) in accordance with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India which were audited by us vide our Auditor’s report dated September 20, 2022. Our opinion is not modified in respect of the above matter.*

Accordingly, reliance has been placed on the statement of assets and liabilities and statements of profit and loss, the Significant Accounting Policies, and other explanatory information and (collectively, the Audited Financial Statement”) examined by them for the said year. The examination report included for the said year is based solely on the audit report submitted by MPV. They have also confirmed that the Restated Consolidated Summary Statements for the year ended March 31, 2023 and March 31, 2022:

- i. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/ reclassifications retrospectively in the financial years ended March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the five month period ended August 31, 2024; and*

- ii. do not require any adjustment for modification as there is no modification in the underlying audit reports; and
- iii. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

As informed to BNC, by the management, M/s M P V & Company, Chartered Accountants, do not hold a peer review certificate as issued by the 'Peer Review Board' of the Institute of Chartered Accountants of India. Accordingly, in accordance with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**") and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI ("**Guidance Note**"), and pursuant to general directions received by the Book Running Lead Managers to the IPO, from Securities and Exchange Board of India (SEBI) vide their email dated October 28, 2021 through Association of Investment Bankers of India (AIBI) ("**SEBI Letter**"), BNC were engaged by the Company as the Joint Statutory Auditors to jointly audit the Consolidated Financial Statements as at and for the year ended March 31, 2024 as referred to in Para 5(b) above respectively and issue our audit report thereon. On September XX, 2024, on completion of the term of the erstwhile Joint Statutory Auditor M/s MPV & Company, the Company had appointed M/s Mishra Rajiv Kamal & Associates to jointly audit the Special Purpose Interim Consolidated Financial Statements as at and for the five month period ended August 31, 2024 as referred to in Para 5(a) above respectively and issue our audit report thereon.

7. M/s MPV & Company, have examined the Restated Consolidated Summary Statements in respect of the Subsidiary Company. The Other Auditors have also confirmed that the August 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 Restated Consolidated Summary Statements of the subsidiary:
  - a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/ reclassifications retrospectively in the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the five month period ended August 31, 2024; and
  - b) do not require any adjustment for modification as there is no modification in the underlying audit reports; and
  - c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
8. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination reports submitted by (a) the Erstwhile Joint Statutory Auditors as at and for the years ended March 31, 2023 and March 31, 2022 ; and (b) M/s MPV & Company, as at and for the period ended August 31, 2024 and years ended March 31, 2024, March 31, 2023 and March 31, 2022 in respect of the Company's subsidiary, we report that Restated Consolidated Summary Statements of the Group:
  - a. have been prepared after incorporating adjustments for changes in accounting policies, material errors and regrouping/ reclassifications retrospectively in the financial years ended March 31, 2024, March 31, 2023, and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and groupings/classifications followed as at and for the period ended August 31, 2024;
  - b. does not contain any quantifiable qualifications requiring adjustments. However, those

qualifications in the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act which do not require any corrective adjustments in the Restated Consolidated Financial Information have been disclosed in Annexure VIC of the Restated Consolidated Summary Statements; and

- c. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
10. We have not audited any financial statements of the Company as of any date or for any period subsequent to August 31, 2024. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Company as of any date or for any period subsequent to August 31, 2024.
11. 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 us, nor should this report be construed as a new opinion on any of the financial statements referred to therein.
12. The Restated Consolidated Summary Statements do not reflect the effects of events that occurred subsequent to the audited financial statements mentioned in paragraph 5(a) above.
13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
14. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

**For Bagaria & Co LLP**  
**Chartered Accountants**  
FRN: 113447W / W-100019

**For Mishra Rajiv Kamal & Associates**  
**Chartered Accountants**  
FRN.: 006752C

**Vinay Somani**  
**Partner**  
Membership No.: 143503  
UDIN: 25143503BMIBKI7984  
Place: Mumbai  
Date: February 20, 2025

**Akshay Kumar Sambharia**  
**Partner**  
Membership No.: 071628  
UDIN:  
Place: Indore  
Date: February 20, 2025

**BALAJI PHOSPHATES LIMITED****(Formerly known as Balaji Phosphates Private Limited)****Annexure I - Restated Consolidated Summary Statement of Assets and Liabilities***(All amount in Rs. Lakhs unless otherwise stated)*

<b>Particulars</b>	<b>Note No</b>	<b>As at 31.08.2024</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, Plant and Equipment	2A	630.48	622.95	620.21	693.57
Goodwill	3	539.18	539.18	539.18	539.18
Other Non Current Assets	4	-	37.80		
<b>Total Non Current Assets</b>		<b>1,169.66</b>	<b>1,199.93</b>	<b>1,159.39</b>	<b>1,232.75</b>
<b>Current Assets</b>					
Inventories	5	2,833.83	3,147.76	4,206.71	2,365.41
<b>Financial Assets</b>					
Loans	6	199.48	643.32	-	-
Trade Receivables	7	4,511.30	3,105.16	2,999.51	3,085.83
Cash and Bank Balances	8	230.57	222.40	269.14	263.89
Other Financial Assets	9	210.55	230.52	230.05	214.85
Other Current Assets	10	372.64	299.26	817.91	1,072.70
<b>Total Current Assets</b>		<b>8,358.37</b>	<b>7,648.41</b>	<b>8,523.32</b>	<b>7,002.68</b>
<b>Total Assets</b>		<b>9,528.04</b>	<b>8,848.34</b>	<b>9,682.72</b>	<b>8,235.43</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Equity Share Capital	11	1,783.71	1,783.71	891.86	594.57
Other Equity	12	2,131.19	1,716.53	2,004.58	1,691.72
Non-controlling interests		0.08	0.08	0.06	0.06
<b>Total Equity</b>		<b>3,914.98</b>	<b>3,500.32</b>	<b>2,896.51</b>	<b>2,286.35</b>
<b>LIABILITIES</b>					
<b>Non-Current Liabilities</b>					
<b>Financial Liabilities</b>					
Borrowings	13	632.74	693.72	825.39	839.74
Provisions	14	3.21	3.13	2.36	3.05
Deferred Tax Liabilities (Net)	15	7.51	12.76	18.03	21.09
<b>Total Non Current Liabilities</b>		<b>643.46</b>	<b>709.61</b>	<b>845.78</b>	<b>863.88</b>
<b>Current Liabilities</b>					
<b>Financial liabilities</b>					
Borrowings	16	2,924.80	2,628.38	1,806.10	1,147.76
Trade Payables	17				
Total outstanding dues of micro and small enterprises		291.75	66.05	62.24	47.45
Total outstanding dues of creditors other than micro and small enterprises		794.68	912.11	1,882.63	1,800.64
Other Financial Liabilities	18	88.73	101.43	68.85	81.31
Other Current Liabilities	19	524.86	541.20	1,895.89	1,901.78
Provisions	20	1.89	176.12	14.15	1.13
Current Tax Liabilities (Net)	21	342.88	213.12	210.57	105.14
<b>Total Current Liabilities</b>		<b>4,969.60</b>	<b>4,638.41</b>	<b>5,940.43</b>	<b>5,085.20</b>



Particulars	Note No	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, Plant and Equipment	2A	630.48	622.95	620.21	693.57
Goodwill	3	539.18	539.18	539.18	539.18
Other Non Current Assets	4	-	37.80		
<b>Total Non Current Assets</b>		<b>1,169.66</b>	<b>1,199.93</b>	<b>1,159.39</b>	<b>1,232.75</b>
<b>Current Assets</b>					
Inventories	5	2,833.83	3,147.76	4,206.71	2,365.41
<b>Financial Assets</b>					
Loans	6	199.48	643.32	-	-
<b>Total Liabilities</b>		<b>5,613.05</b>	<b>5,348.01</b>	<b>6,786.21</b>	<b>5,949.08</b>
<b>Total Equity and Liabilities</b>		<b>9,528.04</b>	<b>8,848.34</b>	<b>9,682.72</b>	<b>8,235.43</b>
<b>Material accounting policies and key accounting estimates and judgements</b>					
The accompanying notes form an integral part of the Restated Consolidated Summary Statements					

As per our report of even date attached

For Bagaria & Co LLP  
Chartered Accountants  
ICAI Firm Registration No.  
113447W/W-100019

For Mishra Rajiv Kamal &  
Associates  
Chartered Accountants  
ICAI Firm Registration No.  
006752C

For and on behalf of Board of Directors of  
**BALAJI PHOSPHATES LIMITED**

Vinay Somani  
Partner  
Membership No. 143503  
Place : Mumbai  
Date: 20-02-2025

Akshay Kumar Sambaria  
Partner  
Membership No. 071628  
Place : Indore  
Date : 20-02-2025

Mohit Airen  
Director  
DIN: 00326470  
Place : Indore  
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Alok Gupta  
Director  
DIN: 00321894  
Place : Indore  
Date: 20-02-2025

Ravindra Kumar  
Chourishi  
Chief Financial  
Officer  
Place : Indore  
Date: 20-02-2025

Deepika Singh  
Company  
Secretary  
Place : Indore  
Date: 20-02-2025

**BALAJI PHOSPHATES LIMITED****(Formerly known as Balaji Phosphates Private Limited)****Annexure I - Restated Consolidated Summary Statement of Profit and Loss***(All amount in Rs. Lakhs unless otherwise stated)*

Particulars	Note No	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
Revenue from Operations	22	5,337.06	15,154.63	14,454.24	12,365.34
Other Income	23	147.60	13.39	9.89	46.38
<b>Total Income (I)</b>		<b>5,484.66</b>	<b>15,168.02</b>	<b>14,464.12</b>	<b>12,411.72</b>
<b>EXPENSES</b>					
Cost of Materials Consumed	24	2,872.55	10,770.14	11,054.10	9,749.09
Purchase of Traded Goods		-	106.34	-	38.65
Changes in inventories of finished goods and work-in-progress	25	647.66	-18.56	-936.50	-628.07
Employee Benefits Expense	26	335.08	776.09	715.90	651.43
Finance Costs	27	141.57	301.78	265.12	284.42
Depreciation and Amortisation Expense	2A	36.42	84.73	84.41	98.21
Other Expenses	28	909.22	2,310.91	2,453.53	1,761.90
<b>Total Expenses (II)</b>		<b>4,942.49</b>	<b>14,331.43</b>	<b>13,636.56</b>	<b>11,955.63</b>
<b>Profit Before Exceptional and Extraordinary items and Tax (III = I-II)</b>		<b>542.17</b>	<b>836.59</b>	<b>827.56</b>	<b>456.09</b>
<b>Extraordinary items (IV)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit Before Tax (III+IV)</b>		<b>542.17</b>	<b>836.59</b>	<b>827.56</b>	<b>456.09</b>
<b>Tax Expense</b>					
(1) Current Tax	29	132.77	237.74	222.43	129.24
(2) Deferred Tax		(5.25)	(5.19)	(3.63)	7.78
(3) Current taxes relating to earlier years		-	-	-	-
<b>Profit for the year</b>		<b>414.65</b>	<b>604.05</b>	<b>608.76</b>	<b>319.08</b>
Attributable to		7.56%	3.98%	4.21%	2.57%
Owners of the parent		414.64	604.03	608.76	319.07
Non-controlling interests		0.00	0.02	0.01	0.01
<b>Other Comprehensive Income (OCI)</b>					
Items that will not be reclassified to profit or loss					
- Gain/(Loss) on remeasurement of defined benefit plans		0.01	-0.30	1.96	0.26
- Income tax (expense) / benefit related to items that will not be reclassified to Profit and loss		0.00	0.07	-0.57	-0.08
<b>Total Other comprehensive income (Net of Tax)</b>		<b>0.01</b>	<b>-0.22</b>	<b>1.39</b>	<b>0.18</b>
Attributable to					
Owners of the parent		0.01	-0.22	1.39	0.18
Non-controlling interests		-	-	-	-
<b>Total Comprehensive Income for the Year</b>		<b>414.66</b>	<b>603.82</b>	<b>610.15</b>	<b>319.26</b>
Attributable to					
Owners of the parent		414.66	603.81	610.15	319.25
Non-controlling interests		0.00	0.02	0.01	0.01

Particulars	Note No	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
<b>Earnings per Equity Share of Rs.10 Each</b>	33				
Basic (in Rs)		2.32	3.39	3.42	1.79
Diluted (in Rs)		2.32	3.39	3.42	1.79
<b>Material accounting policies and key accounting estimates and judgements</b>	1				
The accompanying notes form an integral part of the Restated Consolidated Summary Statements	1 - 44				

As per our report of even date attached

For Bagaria & Co LLP  
Chartered Accountants  
ICAI Firm Registration No.  
113447W/W-100019

For Mishra Rajiv Kamal &  
Associates  
Chartered Accountants  
ICAI Firm Registration No.  
006752C

For and on behalf of Board of Directors of  
**BALAJI PHOSPHATES LIMITED**

Vinay Somani  
Partner  
Membership No. 143503  
Place : Mumbai  
Date: 20-02-2025

Akshay Kumar Sambaria  
Partner  
Membership No. 071628  
Place : Indore  
Date : 20-02-2025

Mohit Airen  
Director  
DIN: 00326470  
Place : Indore  
Date: 20-02-2025

Alok Gupta  
Director  
DIN: 00321894  
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Place : Indore  
Date: 20-02-2025

Deepika Singh  
Company  
Secretary  
Place : Indore  
Date: 20-02-2025

**BALAJI PHOSPHATES LIMITED**  
**(Formerly known as Balaji Phosphates Private Limited)**  
**Annexure IV: Restated Consolidated Summary Statement of Cash flows**  
*(All amount in Rs. Lakhs unless otherwise stated)*

Particulars	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
<b>Cash flow from operating activities:</b>				
<b>Net profit before tax</b>	<b>542.17</b>	<b>836.59</b>	<b>827.56</b>	<b>456.09</b>
<b>Adjustment to reconcile profit before tax to net cash flows</b>				
Depreciation and Amortisation Expense	36.42	84.73	84.41	98.21
-0.13 -0.21				
Provision for Employee Benefits	0.59	0.84	1.17	1.11
Provision for Expected Credit Losses	14.20	1.07	-0.87	3.02
Bad Debts	-	-	0.68	1.78
Liabilities no longer required written back	144.25	2.37	-	-
Net unrealised foreign exchange loss/ (gain)	-	2.72	15.05	3.70
Interest expenses	141.57	301.78	265.12	284.42
<b>Operating profit before working capital changes</b>	<b>879.19</b>	<b>1,230.10</b>	<b>1,192.99</b>	<b>848.14</b>
<b>Adjustment for</b>				
Decrease/ (Increase) in other financial assets	463.80	-643.79	-15.20	39.05
Decrease/ (Increase) in trade receivables	-1,420.34	-106.72	86.53	-304.08
Decrease/ (Increase) in other current assets	-73.39	518.66	254.79	-674.57
Decrease/ (Increase) in other Non Current Assets	37.80	-37.80	-	-
Decrease/ (Increase) in Inventories	313.93	1,058.96	-1,841.31	-175.47
(Decrease)/ Increase in trade payables	-35.99	-971.80	81.73	-674.74
(Decrease)/ Increase in Other financial liabilities	-12.69	32.58	-12.46	34.76
(Decrease)/ Increase in other current liabilities	-16.34	-1,354.69	-5.89	1,306.82
(Decrease)/ Increase in provisions	-174.72	161.59	13.13	-
<b>Cash generated from operations</b>	<b>-38.74</b>	<b>-112.93</b>	<b>-245.68</b>	<b>399.91</b>
Direct taxes paid (net)	-3.01	-235.19	-117.01	-60.67
<b>Net cash generated from operating activities</b>	<b>-41.75</b>	<b>-348.11</b>	<b>-362.69</b>	<b>339.24</b>
<b>Cash Used in investing activities</b>				
Purchase of property, plant and equipment	-43.95	-88.32	-11.06	-49.93
Payments for Acquisition of Investments in Subsidiaries	-	-	-	-
Proceeds from sale of property, plant and equipment	-	0.86	-	11.83
Sale / (Purchase) of Investments (Net)			0.13	0.21
(Increase)/ Decrease in Term Deposits (Net)	-	-	-	-
Interest received	-	-	-	-
<b>Net Cash used in investing activities</b>	<b>-43.95</b>	<b>-87.46</b>	<b>-10.93</b>	<b>-37.89</b>
<b>Cash Used in financing activities</b>				
Increase/ (Decrease) in Borrowings	235.44	690.61	643.99	15.27
Interest paid	-141.57	-301.78	-265.12	-284.42
<b>Net Cash used in financing activities</b>	<b>93.87</b>	<b>388.83</b>	<b>378.87</b>	<b>-269.15</b>
<b>Net (Decrease)/ Increase in cash and cash equivalent ( A+B+C)</b>	<b>8.17</b>	<b>-46.74</b>	<b>5.25</b>	<b>32.20</b>
<b>Cash and Cash equivalents (Refer Note 8 for components of Cash and Cash Equivalent)</b>				

Particulars	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
At the beginning of the year	222.40	269.14	263.89	231.69
At the end of the year	<b>230.57</b>	<b>222.40</b>	<b>269.14</b>	<b>263.89</b>

As per our report of even date attached

For Bagaria & Co LLP  
Chartered Accountants  
ICAI Firm Registration No.  
113447W/W-100019

For Mishra Rajiv Kamal &  
Associates  
Chartered Accountants  
ICAI Firm Registration No.  
006752C

For and on behalf of Board of Directors of  
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Partner  
Membership No. 143503  
Place : Mumbai  
Date: 20-02-2025

Akshay Kumar Sambaria  
Partner  
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Place : Indore  
Date : 20-02-2025

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DIN: 00326470  
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Chourishi  
Chief Financial  
Officer  
Place : Indore  
Date: 20-02-2025

Deepika Singh  
Company  
Secretary  
Place : Indore  
Date: 20-02-2025

**BALAJI PHOSPHATES LIMITED**

(Formerly known as Balaji Phosphates Private Limited)

**Annexure III: Restated Consolidated Summary Statement of Changes In Equity**

(All amount in Rs. Lakhs unless otherwise stated)

**A. Equity Share Capital**

	As At 31.08.2024	FY 2023-24	FY 2022-23	FY 2021-22
Balance as at the beginning of the year	1,783.71	891.86	594.57	594.57
Changes in equity share capital due to prior period errors	-	-	-	-
Restated Balance as at the beginning of the year	1,783.71	# 891.86	594.57	594.57
Changes in equity share capital during the year	-	891.86	297.29	-
<b>Balance as at the end of the year</b>	<b>1,783.71</b>	<b>1,783.71</b>	<b>891.86</b>	<b>594.57</b>

**B. Other Equity**

Reserves and Surplus								
	Capital Subsidy Reserve	Investment Allowance Reserve	Retained Earnings	Shares Forfeiture Reserve	OCI Remea- sureme- nt of net defined benefit plan	Total Equity	Non- controlli- ng interest	Total
<b>Balance as on 1st April 2020</b>	<b>15.36</b>	<b>12.05</b>	<b>1,000.52</b>	<b>-</b>	<b>-</b>	<b>1,027.94</b>	<b>0.05</b>	<b>1,027.98</b>
Changes in Accounting Policies / Prior Period errors (Refer Note 38)	-	-	-	-	-	-	-	-
Profit for the year	-	-	114.80	-	-	114.80	0.00	114.80
Other Comprehensive Income / (loss)	-	-	-	-	0.03	0.03	-	0.03
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>114.80</b>	<b>-</b>	<b>0.03</b>	<b>114.83</b>	<b>0.00</b>	<b>114.83</b>
Dividends paid (incl. dividend distribution tax)	-	-	-	-	-	-	-	-
Shares forfeited during the year	-	-	-	229.71	-	229.71	-	229.71
Transfer to General Reserves	-	-	-	-	-	-	-	-
<b>Balance as on 31st March 2021*</b>	<b>15.36</b>	<b>12.05</b>	<b>1,115.32</b>	<b>229.71</b>	<b>0.03</b>	<b>1,372.47</b>	<b>0.05</b>	<b>1,372.52</b>
<b>Balance as on 01.04.2021</b>	<b>15.36</b>	<b>12.05</b>	<b>1,115.32</b>	<b>229.71</b>	<b>0.03</b>	<b>1,372.47</b>	<b>0.05</b>	<b>1,372.52</b>
Profit for the year	-	-	319.07	-	-	319.07	0.01	319.08
Other Comprehensive Income	-	-	-	-	0.18	0.18	-	0.18
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>319.07</b>	<b>-</b>	<b>0.18</b>	<b>319.25</b>	<b>0.01</b>	<b>319.26</b>
Dividends paid	-	-	-	-	-	-	-	-
Transfer to General Reserves	-	-	-	-	-	-	-	-
<b>Balance as on 31.03.2022</b>	<b>15.36</b>	<b>12.05</b>	<b>1,434.39</b>	<b>229.71</b>	<b>0.21</b>	<b>1,691.72</b>	<b>0.06</b>	<b>1,691.78</b>
Profit for the year	-	-	608.76	-	-	608.76	0.01	608.76
Other Comprehensive Income	-	-	-	-	1.39	1.39	-	1.39

<b>Total Comprehensive Income for the year</b>	-	-	<b>608.76</b>	-	<b>1.39</b>	<b>610.15</b>	<b>0.01</b>	<b>610.15</b>
Bonus shares issue			(297.29)			(297.29)	-	(297.29)
<b>Balance as on 31.03.2023</b>	<b>15.36</b>	<b>12.05</b>	<b>1,745.86</b>	<b>229.71</b>	<b>1.60</b>	<b>2,004.58</b>	<b>0.06</b>	<b>2,004.65</b>
Profit for the year	-	-	604.03	-	-	604.03	0.02	604.05
Other Comprehensive Income	-	-	-	-	(0.22)	(0.22)	-	(0.22)
<b>Total Comprehensive Income for the year</b>	-	-	<b>604.03</b>	-	<b>(0.22)</b>	<b>603.81</b>	<b>0.02</b>	<b>603.82</b>
Bonus shares issue	-	-	(891.86)	-	-	(891.86)	-	(891.86)
<b>Balance as on 31.03.2024</b>	<b>15.36</b>	<b>12.05</b>	<b>1,458.03</b>	<b>229.71</b>	<b>1.38</b>	<b>1,716.53</b>	<b>0.08</b>	<b>1,716.61</b>
Profit for the year	-	-	414.64	-	-	414.64	0.00	414.65
Other Comprehensive Income	-	-	-	-	0.01	0.01	-	0.01
<b>Total Comprehensive Income for the year</b>	-	-	<b>414.64</b>	-	<b>0.01</b>	<b>414.66</b>	<b>0.00</b>	<b>414.66</b>
<b>Balance as on 31.08.2024</b>	<b>15.36</b>	<b>12.05</b>	<b>1,872.68</b>	<b>229.71</b>	<b>1.39</b>	<b>2,131.19</b>	<b>0.08</b>	<b>2,131.27</b>
<b>* refer annexure VI</b>								

**Material accounting policies and key accounting estimates and judgements (Refer Note 1)**

**The accompanying notes form an integral part of the Restated Consolidated Summary Statements (Refer Notes 1 - 44)**

As per our report of even date attached

For Bagaria & Co LLP  
Chartered Accountants  
ICAI Firm Registration No.  
113447W/W-100019

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Chief Financial  
Officer  
Place : Indore  
Date: 20-02-2025

Deepika Singh  
Company  
Secretary  
Place : Indore  
Date: 20-02-2025

## **BALAJI PHOSPHATES LIMITED**

**(Formerly known as Balaji Phosphates Private Limited)**

### **Annexure V: Material accounting policies to the Restated Consolidated Summary Statements**

**(All amount in Rs. Lakhs unless otherwise stated)**

#### **Material accounting policies and explanatory notes to Restated Consolidated Financial Statements**

##### **Corporate Information**

Balaji Phosphates Limited (formerly Known as Balaji Phosphates Private Limited) ("the Company" or "the Holding Company") is a Company incorporated on 04th April, 1996 having its registered office at 305, Utsav Avenue, III-Floor, 12/5 Usha Ganj, Jaora Compound, Indore - 452001, Madhya Pradesh, India. The Company is principally engaged in manufacturing of single super phosphates fertilizers.

Jyoti Weighing Systems Private Limited ("the Subsidiary") was incorporated on 26th June, 1979 and is principally engaged in manufacturing of Weigh Bridge and their annual service maintenance and parts provider. The Restated Consolidated Summary Statements include the financial information of the Holding Company and its subsidiaries (hereinafter referred as 'the Group')

#### **1 Material accounting policies**

This note provides a list of the material accounting policies adopted in the preparation of these restated consolidated financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

##### **1.1 Basis of Preparation**

The Restated Consolidated Summary Statements of the Group comprises of the Restated Consolidated Summary Statement of Assets and Liabilities as at August 31, 2024 and March 31, 2024, 2023 and 2022, the related Restated Consolidated Summary Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Summary Statement of Changes in Equity, the Restated Consolidated Summary Cash Flow Statement for the five month period ended August 31, 2024 and financial years ended March 31, 2024, 2023 and 2022, the Summary Statement of Material accounting policies, and other explanatory information (collectively, the 'Restated Consolidated Summary Statements').

These Restated Consolidated Summary Statements have been prepared by the Management for the purpose of inclusion in the Offer Documents to be filed with Securities Exchange Board of India, relevant stock exchanges and Registrar of Companies (ROC), Gwalior in connection with the proposed SME IPO. The Restated Consolidated Summary Statements have been prepared by the Company in terms of the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

The Group's Restated Consolidated Summary Statements for the period ended 31 August, 2024 and year ended 31 March 2024, 31 March 2023 and 31 March 2022 were approved by Board of Directors on February 15, 2024.

These Restated Consolidated Summary Statements have been compiled by the management from:

- a) Audited Special Purpose Interim Financial Statements of the Company as at and for the five month period ended August 31, 2024 prepared by the Company in accordance with Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") as prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India as per the requirements of Ind AS 34 which have been approved by the Board of Directors at their meeting held on February 15, 2025
- b) Audited Consolidated financial statements of the Company as at and for the year ended March 31, 2024, prepared by the Company in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on September 5, 2024
- c) Audited Special Purpose Consolidated Ind AS financial statements of the Company as at and for the years ended March 31, 2023 and March 31, 2022, which were prepared by the Company after taking into the consideration the requirements of the SEBI Letter and were approved by the Board of Directors at their meeting held on September 05, 2024.



The audited special purpose Ind AS financial statements as at and for the year ended March 31, 2023, and March 31, 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed, as per Ind AS 101) consistent with that used at the date of transition to Ind AS (April 01, 2021) and as per the presentation, accounting policies and grouping/classifications including revised Schedule III disclosures followed as at and for the year ended March 31, 2024 in accordance with Ind AS, pursuant to the SEBI Letter.

The Restated Summary Statements have been prepared on a going concern basis.

The Restated Summary Statements have been prepared on an accrual basis under the historical cost convention except for certain assets and liabilities that are measured at fair value as mentioned below.

- defined benefit plans – plan assets measured at fair value
- certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The Restated Summary Statements have been prepared on the historical cost basis, except for the certain assets and liabilities (refer accounting policy regarding financial instruments) and share based payments which have been measured at fair value as per Ind AS 102.

The Restated financial information provide comparative information in respect of the previous period.

The accounting policies are applied consistently to all the periods presented in the Restated financial information.

The Restated financial information are presented in Rs. and all values are rounded to the nearest lakh upto two decimal, except when otherwise indicated.

#### **Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as noncurrent.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

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

## **1.2 Basis of Consolidation**

### **a) Subsidiaries**

Subsidiaries are entities over which the Holding Company has control. The Holding Company controls an entity when the Holding Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

The Group consolidates the Financial statements of the Holding Company and its subsidiary on a line by line basis, adding together like items of assets, liabilities, income and expenses. Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment.

**b) Non-controlling interests (NCI)**

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

**1.3 Business combinations**

The Company applies the acquisition method in accounting for business combinations. The cost of acquisition is the aggregate of the consideration transferred measured at fair value at the acquisition date. Acquisition costs are charged to the Statement of Profit and Loss in the period in which they are incurred. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value.

Goodwill is measured as excess of the aggregate of the fair value of the consideration transferred over the fair value of the net of identifiable assets acquired and liabilities assumed. If the fair value of the net of identifiable assets acquired and liabilities assumed is in excess of the aggregate mentioned above, the resulting gain on bargain purchase is recognised.

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognised. Goodwill is carried at cost less accumulated impairment losses.

**1.4 Use of Estimates and Judgments**

In preparing the Restated Consolidated Summary Statements, the Management has to make certain assumptions and estimates that may substantially impact the presentation of the Group's financial position and/ or results of operations.

The estimates and judgments used in the preparation of the Restated Consolidated Summary Statements are continuously evaluated and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Although the Group regularly assesses these estimates, actual results may differ from these estimates. Changes in estimates are recorded in the periods in which they become known.

**1.5 Summary of Material accounting policies**

**a) Property, Plant & Equipment**

**Measurement at recognition:**

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

On transition to Ind AS (i.e. 1 April 2020), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

**Capital work in progress and Capital advances:**

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets.

### **Depreciation and Amortisation**

Depreciation on each part of an item of property, plant and equipment is provided using the WDV Method based on the useful life of the assets as prescribed in Schedule II to the Act.

The Estimated useful lives of the assets are as follows:

<b>Asset Class</b>	<b>Useful Life</b>
Factory Building	30 years
Plant & Equipment	15 years
Motor Cycle	15 years
Electric Equipment	10 years
Furniture & Fixtures	10 years
Motor Car	8 years
Computers	6 years

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

### **Derecognition:**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

### **b) Investment property**

Properties held to earn rentals and/or capital appreciation are classified as investment property and are measured and reported at cost, including transaction costs and borrowing costs capitalised for qualifying assets. Policies with respect to depreciation, useful life and derecognition are followed on the same basis as stated for PPE above.

### **c) Revenue Recognition**

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Group is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

### **Sale of Products:**

The majority of customer contracts that the Company enters into consist of a single performance obligation for the delivery of super phosphates fertilizers products. The Company recognises revenue from product sales when control of the product transfers, generally upon shipment or delivery, to the customer, or in certain cases, upon the corresponding sales by customer to a third party. The Company records product sales net of estimated incentives/discounts, returns, and other related charges. These are generally accounted for as variable consideration estimated in the same period the related sales occur. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. The revenue for such variable consideration is included in the Company's estimate of the transaction price only if it is highly probable that a significant reversal of revenue will not occur once any uncertainty is resolved. In making this assessment the Company considers its historical record of performance on similar contracts.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/ discounts.

**Subsidy:**

The Company is engaged in manufacturing of Single super phosphates (SSP) fertilisers. Manufacturing of SSP is covered by Government of India's NBS Policy for P&K Fertilisers. The Company is entitled for this NBS subsidy on the basis of actual sale by the retailers to the beneficiaries.

**Contract Balances*****Contract Assets***

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

***Trade Receivable***

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

***Contract Liabilities***

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

**d) Other Income**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included in 'Other Income' in the Statement of Profit and Loss.

**e) Inventories**

Inventories encompass goods consumed in production (raw materials, packing materials and stores and spare parts), goods in the production process for sale (work-in-progress) and goods held for sale in the ordinary course of business (finished goods). Inventories are recognised at the lower of their cost of acquisition calculated by the weighted average method and at their net realisable value. The net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and expenses necessary to make the sale.

**f) Financial Instruments****I Financial Assets****Classification**

The Company classifies its financial assets either at Fair Value through Profit or Loss (FVTPL), Fair Value through Other Comprehensive Income (FVTOCI) or at amortised Cost, based on the Company's business model for managing the financial assets and their contractual cash flows.

**Initial recognition and measurement**

The Company at initial recognition measures a financial asset at its fair value plus transaction costs that are directly attributable to its acquisition. However, transaction costs relating to financial assets designated at fair value through profit or loss (FVTPL) are expensed in the statement of profit and loss for the year.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

**Debt instruments at amortised cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on such instruments is recognised in

profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is calculated using the effective interest rate method and is included under the head "Finance income".

#### **Debt instrument at FVTOCI**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss. Interest income from these financial assets is calculated using the effective interest rate method and is included under the head "Finance income".

#### **Debt instrument at FVTPL**

Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income (FVTOCI) are measured at fair value through profit or loss. Gain and losses on fair value of such instruments are recognised in statement of profit and loss. Interest income from these financial assets is included in other income.

#### **Equity instruments**

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, including foreign exchange gain or loss and excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit or loss.

#### **Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- The Company has transferred substantially all the risks and rewards of the financial asset or
- The Company has neither transferred nor retained substantially all the risks and rewards of the financial asset but has transferred control of the financial asset.

#### **Impairment of financial assets**

The Company assesses on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk and if so, assess the need to provide for the same in the Statement of Profit and Loss.

## **II Financial liabilities and equity instruments**

#### **Classification**

The Company classifies all financial liabilities at amortised cost or fair value through profit or loss.

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, deposits or as payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

**Loans, borrowings and deposits**

After initial recognition, loans, borrowings and deposits are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. The EIR amortisation is included in finance costs in the statement of profit and loss.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

**Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**Dividend distribution to equity holders of the Company**

The Company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**g) Fair Value Measurement**

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

All assets and liabilities for which fair value is measured or disclosed in the Restated Financial Information are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**h) Trade Receivables and Loans**

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

**i) Foreign Currency Transactions**

The Restated Financial Information are presented in Indian Rupee, which is the Company's functional and presentation currency. A company's functional currency is that of the primary economic environment in which the company operates.

Foreign currency transactions are recorded in the reporting currency (Indian rupee) by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of the transaction.

All monetary items denominated in foreign currency are converted into Indian rupees at the year-end exchange rate. The exchange differences arising on such conversion and on settlement of the transactions are recognised in the statement of profit and loss. Non-monetary items in terms of historical cost denominated in a foreign currency are reported using the exchange rate prevailing on the date of the transaction.

**j) Income tax**

The income tax expenses comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

**Current Tax:**

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

**Deferred Tax:**

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised, such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are measured at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects at the reporting date to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax (MAT) credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the periods in which those temporary differences are expected to be recovered or settled.

**k) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes.

Contingent assets are not disclosed in the Restated financial information unless an inflow of economic benefits is probable.

**l) Cash & Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**m) Employee Benefits**

**Short Term Employee Benefit obligation:**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related services are rendered.

**Long Term Employee Benefit obligation:**

**I. Defined Contribution plans:**

Payments to defined contribution retirement benefit schemes are charged to the statement of profit and loss of the year when the contribution to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

**II. Defined benefit plans**

Gratuity expense is recognized on payment basis in the statement of profit and loss.

**n) Impairment of Non-financial Assets**

The carrying amounts of non-financial assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying amount exceeds its recoverable value.

The recoverable amount is the greater of an asset's or cash generating unit's, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the assets. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The impairment loss recognized in prior accounting periods is reversed by crediting the statement of profit and loss if there has been a change in the estimate of recoverable amount.

**o) Segment reporting**

The Company identifies operating segments based on the dominant source, nature of risks and returns and the internal organisation. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance.

**p) Dividends Payable**

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

**q) Earnings Per Share**

Basic earnings per share are calculated by dividing the Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose



of calculating diluted earnings per share, the Profit or Loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

**r) Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Restated Financial Information. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

**s) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**t) Use Of Critical Estimates, Judgments And Assumptions**

The preparation of the Company's Restated Consolidated Financial Information in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Uncertainty about these assumptions and estimates

could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

**i. Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**ii. Taxes**

The Company periodically assesses its liabilities and contingencies related to income taxes for all years open to scrutiny based on latest information available. For matters where it is probable that an adjustment will be made, the Company records its best estimates of the tax liability in the current tax provision. The Management believes that they have adequately provided for the probable outcome of these matters.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

**iii. Recognition and measurement of defined benefit obligations**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and attrition rate. The discount rate is determined by reference to market yields at the end of the reporting period on government securities.

**u) Rounding Of Amounts**

All amounts disclosed in the Restated Financial Information and notes have been rounded off to the nearest lakhs, unless otherwise stated.

**v) Recent Accounting Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the financial year beginning from 1 April 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

**BALAJI PHOSPHATES LIMITED**

(Formerly known as Balaji Phosphates Private Limited)

**Annexure VII : Notes to the Restated Consolidated Summary Statements***(All amount in Rs. Lakhs unless otherwise stated)***2A Property,  
Plant and  
Equipme  
nt**

<b>Description of Assets</b>	<b>Land</b>	<b>Buildings</b>	<b>Plant &amp; Equipme nt</b>	<b>Office Equipme nt</b>	<b>Furniture &amp; Fixtures</b>	<b>Motor Car</b>	<b>Motor Cycle</b>	<b>Compute rs</b>	<b>Total</b>
<b>Gross Carrying Amount (Deemed Cost)</b>									
<b>Balance as at 01<sup>st</sup> April, 2021</b>	<b>3.35</b>	<b>440.67</b>	<b>270.15</b>	<b>1.87</b>	<b>0.17</b>	<b>34.92</b>	<b>1.50</b>	<b>1.05</b>	<b>753.68</b>
Additions during the year	-	-	45.14	1.33	1.10	-	2.37	-	49.93
Disposals during the year	-	-	-	-	-	11.83	-	-	11.83
<b>Balance as at 31<sup>st</sup> March, 2022</b>	<b>3.35</b>	<b>440.67</b>	<b>315.29</b>	<b>3.19</b>	<b>1.26</b>	<b>23.09</b>	<b>3.87</b>	<b>1.05</b>	<b>791.78</b>
Additions during the year	-	-	-	-	-	11.06	-	-	11.06
Disposals during the year	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	<b>3.35</b>	<b>440.67</b>	<b>315.29</b>	<b>3.19</b>	<b>1.26</b>	<b>34.15</b>	<b>3.87</b>	<b>1.05</b>	<b>802.84</b>
Additions during the period	-	-	88.32	-	-	-	-	-	88.32
Disposals during the period	-	-	-	-	-	9.79	-	-	9.79
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>3.35</b>	<b>440.67</b>	<b>403.61</b>	<b>3.19</b>	<b>1.26</b>	<b>24.36</b>	<b>3.87</b>	<b>1.05</b>	<b>881.36</b>
Additions during the period	-	-	43.76	-	-	-	-	0.19	43.95
Disposals during the period	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup></b>	<b>3.35</b>	<b>440.67</b>	<b>447.37</b>	<b>3.19</b>	<b>1.26</b>	<b>24.36</b>	<b>3.87</b>	<b>1.24</b>	<b>925.31</b>

<b>August, 2024</b>									
<b>Accumul ated Depreciat ion</b>									
<b>Balance as at 01st April, 2021</b>	-	-	-	-	-	-	-	-	-
Depreciati on expense for the year	-	39.65	48.01	0.45	0.03	8.12	1.70	0.26	98.22
Eliminate d on disposal of asset	-	-	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2022</b>	-	<b>39.65</b>	<b>48.01</b>	<b>0.45</b>	<b>0.03</b>	<b>8.12</b>	<b>1.70</b>	<b>0.26</b>	<b>98.22</b>
Depreciati on expense for the year	-	34.59	44.18	0.39	0.24	3.42	1.46	0.15	84.41
Eliminate d on disposal of asset	-	-	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2023</b>	-	<b>74.24</b>	<b>92.19</b>	<b>0.84</b>	<b>0.27</b>	<b>11.54</b>	<b>3.16</b>	<b>0.40</b>	<b>182.6 3</b>
Depreciati on expense for the period	-	34.19	44.86	0.61	0.25	4.37	0.10	0.35	84.73
Eliminate d on disposal of asset						8.94			8.94
<b>Balance as at 31st March, 2024</b>	-	<b>108.43</b>	<b>137.05</b>	<b>1.45</b>	<b>0.51</b>	<b>6.97</b>	<b>3.25</b>	<b>0.75</b>	<b>258.4 2</b>
Depreciati on expense for the period	-	13.03	21.50	0.10	0.07	1.58	0.10	0.04	36.42
Eliminate d on disposal of asset									-

<b>Balance as at 31st August, 2024</b>	<b>-</b>	<b>121.46</b>	<b>158.55</b>	<b>1.55</b>	<b>0.58</b>	<b>8.55</b>	<b>3.36</b>	<b>0.79</b>	<b>294.83</b>
<b>Net Carrying amount</b>									
Balance as at 31 <sup>st</sup> March, 2021	3.35	440.67	270.15	1.87	0.17	34.92	1.50	1.05	753.68
Balance as at 31 <sup>st</sup> March, 2022	3.35	401.02	267.28	2.74	1.23	14.97	2.17	0.79	693.57
Balance as at 31 <sup>st</sup> March, 2023	3.35	366.44	223.10	2.36	1.00	22.61	0.71	0.65	620.21
Balance as at 31 <sup>st</sup> March, 2024	3.35	332.24	266.56	1.75	0.75	17.38	0.61	0.30	622.95
<b>Balance as at 31st August, 2024</b>	<b>3.35</b>	<b>319.22</b>	<b>288.81</b>	<b>1.65</b>	<b>0.68</b>	<b>15.81</b>	<b>0.51</b>	<b>0.45</b>	<b>630.48</b>

*\* Refer note 2B*

**Note:**

1. Refer Note No.13 and 16 for the details of Property, Plant and Equipment mortgaged as security for borrowings.
2. The Depreciation charge on tangible assets has been included under 'Depreciation and amortisation expense' in the Statement of Profit and Loss.

**2Ai) Details of Title Deeds of immovable Property not held in the name of the Company**

The Company does not have any Immovable Property whose title deeds are not held in the name of the Company.

- 2B** The Company has elected to use the exemption available under Ind AS 101 to continue the carrying value of its property, plant and equipment and Intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use as its deemed cost as at the date of transition to Ind AS i.e. 01.04.2021 as per the following details:

<b>Description of Assets</b>	<b>Land</b>	<b>Building</b>	<b>Plant &amp; Equipment</b>	<b>Office Equipment</b>	<b>Furniture &amp; Fixtures</b>	<b>Motor Car</b>	<b>Motor Cycle</b>	<b>Computers</b>	<b>Software</b>	<b>Total</b>
<b>As at 1<sup>st</sup> April, 2021</b>										
Gross Block (at cost)	3.35	486.22	320.24	2.76	0.17	49.81	2.67	1.19	-	866.42
Accumulated depreciation	-	-45.55	-50.09	-0.89	-0.00	-14.89	-1.17	-0.14	-	112.74
Reclassification /	-	-	-	-	-	-	-	-	-	-

Other adjustmen ts											
<b>Net Block as per previous GAAP/ Deemed cost as per Ind AS</b>	<b>3.35</b>	<b>440.67</b>	<b>270.15</b>	<b>1.87</b>	<b>0.17</b>	<b>34.92</b>	<b>1.50</b>	<b>1.05</b>	<b>-</b>	<b>753.6 8</b>	
Ind As reclassific ation / Other adjustmen ts	-	-	-	-	-	-	-	-	-	-	
Transfer to Property, Plant and Equipmen t (On account of Ind AS transition)	-	-	-	-	-	-	-	-	-	-	
Transfer to Investmen t Property (On account of Ind AS transition)	-	-	-	-	-	-	-	-	-	-	
<b>Gross Block as per Ind AS</b>	<b>3.35</b>	<b>440.67</b>	<b>270.15</b>	<b>1.87</b>	<b>0.17</b>	<b>34.92</b>	<b>1.50</b>	<b>1.05</b>	<b>-</b>	<b>753.6 8</b>	

**BALAJI PHOSPHATES LIMITED****(Formerly known as Balaji Phosphates Private Limited)****Annexure VII : Notes to the Restated Consolidated Summary Statements***(All amount in Rs. Lakhs unless otherwise stated)***3 Goodwill**

	<b>Goodwill</b>	<b>Total</b>
<b>Gross Carrying Amount (Deemed Cost)</b>		
<b>Balance as at 01<sup>st</sup> April, 2020</b>	-	-
Additions during the year	539.18	539.18
Deductions during the year	-	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	539.18	539.18
Additions during the year	-	-
Deductions during the year	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	539.18	539.18
Additions during the period	-	-
Deductions during the period	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	539.18	539.18
Additions during the period	-	-
Deductions during the period	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	<b>539.18</b>	<b>539.18</b>
Additions during the period	-	-
Deductions during the period	-	-
<b>Balance as at 31<sup>st</sup> August, 2024</b>	<b>539.18</b>	<b>539.18</b>
<b>Accumulated Amortisation</b>		
<b>Balance as at 01<sup>st</sup> April, 2020</b>	-	-
Amortisation expense for the year	-	-
Deductions for the year	-	-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	-	-
Amortisation expense for the year	-	-
Deductions for the year	-	-
<b>Balance as at 31<sup>st</sup> March, 2022</b>	-	-
Amortisation expense for the year	-	-
Deductions for the year	-	-
<b>Balance as at 31<sup>st</sup> March, 2023</b>	-	-
Amortisation expense for the period	-	-
Deductions for the period	-	-
<b>Balance as at 31<sup>st</sup> March, 2024</b>	-	-
Amortisation expense for the period	-	-
Deductions for the period	-	-
<b>Balance as at 31<sup>st</sup> August, 2024</b>	-	-
<b>Net Carrying amount</b>		
Balance as at 01 <sup>st</sup> April, 2020	-	-
Balance as at 31 <sup>st</sup> March, 2021	539.18	539.18

Balance as at 31 <sup>st</sup> March, 2022	539.18	539.18
Balance as at 31 <sup>st</sup> March, 2023	539.18	539.18
Balance as at 31 <sup>st</sup> March, 2024	539.18	539.18
<b>Balance as at 31st August, 2024</b>	<b>539.18</b>	<b>539.18</b>

***Note:***

The Group assesses at each balance sheet date whether there is any indication that goodwill may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Consolidated Statement of Profit and Loss.

**BALAJI PHOSPHATES LIMITED**  
**(Formerly known as Balaji Phosphates**  
**Private Limited)**  
**Annexure VII : Notes to the Restated**  
**Consolidated Summary Statements**  
*(All amount in Rs. Lakhs unless otherwise*  
*stated)*

**4 Other Non Current Assets**

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Capital Advances	-	37.80	-	-
<b>Total</b>	<b>-</b>	<b>37.80</b>	<b>-</b>	<b>-</b>

**5 Inventories**

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Lower of Cost or Net realisable value</b>				
Raw Materials	803.17	628.58	1,670.59	801.76
Consumables	213.60	54.46	89.96	53.99
Work-in-Progress	76.93	792.37	907.91	235.95
Finished Goods	1,740.12	1,672.35	1,538.25	1,273.71
<b>Total</b>	<b>2,833.83</b>	<b>3,147.76</b>	<b>4,206.71</b>	<b>2,365.41</b>

**Notes**

Refer Note No.16 for the details in respect of inventories hypothecated/mortgaged as security for borrowings.

**6 Loans**

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>(Unsecured, considered Good)</b>				
Advance to related party	199.48	643.32	-	-
<b>Total</b>	<b>199.48</b>	<b>643.32</b>	<b>-</b>	<b>-</b>

**7 Trade Receivables**

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Unsecured:</b>				
Considered good	4,556.87	3,136.53	3,029.81	3,117.00
Considered doubtful	-	-	-	-
Credit Impaired	-	-	-	-
	<b>4,556.87</b>	<b>3,136.53</b>	<b>3,029.81</b>	<b>3,117.00</b>
Less: Allowance for Expected Credit Loss	(45.57)	(31.37)	(30.30)	(31.17)
<b>Total</b>	<b>4,511.30</b>	<b>3,105.16</b>	<b>2,999.51</b>	<b>3,085.83</b>

Refer Note No. 37 for Ageing of Trade Receivables

Refer Note No. 31 for Trade Receivables from Related Parties

Credit Period to Customers varies from 30 to 120 days



There are no unbilled receivables as on 31.08.2024, 31.03.2024, 31.03.2023, and 31.03.2022.

## 8 Cash and Bank Balances

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Cash and Cash Equivalents</b>				
Cash on hand	9.50	9.30	16.89	10.79
Balances with Banks				
In Current Accounts	3.23	9.75	70.70	96.48
In Term Deposits with Original maturity less than 3 months	6.80	-	63.92	54.84
<b>Other Balances with Banks</b>				
In Term Deposits with Original maturity more than 12 months	211.04	203.35	117.63	101.78
<b>Total</b>	<b>230.57</b>	<b>222.40</b>	<b>269.14</b>	<b>263.89</b>

## 9 Other Financial Assets

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>(At Amortised Cost)</b>				
<b>Unsecured and Considered Good</b>				
Interest receivable	16.95	14.41	10.61	7.83
Security & Business Deposits	155.80	216.11	219.44	207.02
Other Receivable	37.80			
<b>Total</b>	<b>210.55</b>	<b>230.52</b>	<b>230.05</b>	<b>214.85</b>

## 10 Other Current Assets

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Balances with Government Authorities	170.37	145.58	740.85	443.88
Prepaid Expenses	21.28	29.64	6.93	5.33
Advances to Employees	35.88	44.10	5.08	1.55
Advances to Suppliers	124.53	58.87	54.54	611.68
Other receivables	20.57	21.07	10.51	10.26
<b>Total</b>	<b>372.63</b>	<b>299.26</b>	<b>817.91</b>	<b>1,072.70</b>

## 13 Borrowings (Non-Current)

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Secured:</b>				
From Banks	692.45	771.29	812.70	708.50
From Other	131.46	-	2.74	4.87
<b>Unsecured:</b>				
From Bank	115.56	150.19	222.08	271.75
From Others	-	0.41	-	-
From Related Parties	-	-	-	1.23
Less: Current maturities of Long term Borrowings	306.72	228.18	212.13	146.61
<b>Total</b>	<b>632.74</b>	<b>693.72</b>	<b>825.39</b>	<b>839.74</b>

### Note:

### Details of Securities and Terms of repayment

1) Kotak Mahindra Bank Ltd : the amount is repayable in Monthly installments of equal amount and secured by mortgage of Property of subsidiary company and is collaterally secured by personal guarantee of the directors of the company.

2) Axis Bank Ltd: Secured by mortgage of immovable property, Hypothecation of all Current Asstes including Stock & Book debts, movable fixed assets both present & future . Furthermore, it is collaterally secured by lien mark of fixed depsoits. Payable in monthly installments of Rs. 4.44 Lakhs .

3) HDFC Bank: Secured by Hypothecation of asstes financed. Furthermore, it is collaterally secured by lien mark of fixed depsoits. Payable in monthly installments of Rs. 1.03 Lakhs.

4) Loans and advances from related parties: There is no Repayment Schedule

#### 14 Provisions

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Provision for Employee Benefits</b>				
Provision for Gratuity	3.21	3.13	2.36	3.05
<b>Total</b>	<b>3.21</b>	<b>3.13</b>	<b>2.36</b>	<b>3.05</b>

Note: Refer note no 36 for detailed disclosures

#### 15 Deferred tax Liabilities / (Assets)

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Deferred tax Liabilities / (Assets) in relation to:</b>				
Difference between written down value/capital work in progress of Property, Plant & Equipment as per the books of accounts and Income Tax Act, 1961	20.19	21.72	26.51	30.32
Provision for Expected Credit losses on Trade Receivables	(11.47)	(7.89)	(7.63)	(8.67)
Provision for Gratuity	(1.21)	(1.07)	(0.85)	(0.56)
<b>Total</b>	<b>7.51</b>	<b>12.76</b>	<b>18.03</b>	<b>21.09</b>

#### 16 Borrowings (Current)

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Secured</b>				
From Banks	2,317.98	2,348.54	1,548.97	1,001.15
<b>Unsecured</b>				
From Related Parties	24.50	-	45.00	-
From Others	275.60	51.66		
Current maturities of Long-term Borrowings (Refer Note No 13)	306.72	228.18	212.13	146.61
<b>Total</b>	<b>2,924.80</b>	<b>2,628.38</b>	<b>1,806.10</b>	<b>1,147.76</b>

Working Capital Borrowings are secured by Equitable mortgage of Company's Land & Building situated at Dewas Industrial area, Hypothecation of Movable assets and personal Guarantee of Directors.

#### 17 Trade Payables

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Total Outstanding dues of Micro Enterprises and Small Enterprises (MSME)	291.75	66.05	62.24	47.45

Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	794.68	912.11	1,882.63	1,800.64
<b>Total</b>	<b>1,086.42</b>	<b>978.17</b>	<b>1,944.87</b>	<b>1,848.09</b>

**Refer Note No. 31 for Trade Payables to Related Parties**

Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises('MSME'). On the basis of the information and records available with the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 except as set out in the following disclosures.

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the financial statement as at 31.03.2024, 31.03.2023, 31.03.2022 based on the information received and available with the Company. This has been relied upon by the auditors.

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
(a) Amount remaining unpaid to any supplier at the end of each accounting year:				
Principal	291.75	66.05	62.24	47.45
Interest	-	-	-	-
<b>Total</b>	<b>291.75</b>	<b>66.05</b>	<b>62.24</b>	<b>47.45</b>

(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.

(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.

(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.

(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.

Ageing schedule for MSME Creditors	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
MSME Disputed Dues	-	-	-	-
MSME Undisputed Dues				
Not Due	-	-	-	-
Less than 1 year	290.62	59.69	62.24	47.45
1-2 Years	1.13	0.12	-	-
2-3 Years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	<b>291.75</b>	<b>59.81</b>	<b>62.24</b>	<b>47.45</b>

Ageing schedule for other than MSME Creditors	As at	As at	As at	As at
---	-------	-------	-------	-------

	31.08.2024	31.03.2024	31.03.2023	31.03.2022
Disputed Dues		-	-	-
Others Undisputed Dues				
Not due				
Less than 1 year	635.03	557.76	1,180.10	1,100.72
1-2 Years	133.70	118.91	397.18	137.26
2-3 Years	-	-	66.80	67.77
More than 3 years	25.95	241.69	238.56	494.90
<b>Total</b>	<b>794.68</b>	<b>918.36</b>	<b>1,882.63</b>	<b>1,800.64</b>

- -

#### 18 Other Financial Liabilities

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>(At Amortised Cost)</b>				
Payable to Employees	31.11	49.18	61.95	72.19
Payable towards other expenses	57.62	52.25	6.90	9.12
<b>Total</b>	<b>88.73</b>	<b>101.43</b>	<b>68.85</b>	<b>81.31</b>

#### 19 Other Current Liabilities

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Other Advances</b>				
Advance from Customers	500.46	496.75	1,799.32	1,866.77
<b>Others</b>				
Statutory Liabilities	22.57	42.63	96.57	35.01
Other payables	1.82	1.82	-	-
<b>Total</b>	<b>524.86</b>	<b>541.20</b>	<b>1,895.89</b>	<b>1,901.78</b>

#### 20 Provisions

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Provision for Employee Benefits</b>				
Provision for Gratuity	1.89	1.40	14.15	1.13
Provision for Interest on GST	-	174.72		
<b>Total</b>	<b>1.89</b>	<b>176.12</b>	<b>14.15</b>	<b>1.13</b>

#### 21 Current Tax Liabilities (Net)

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Tax Payable	342.88	213.12	210.57	105.14
(Net of Taxes Paid & TDS Rs. 6.59 lakhs as at 31.08.2024, Rs. 3.58 lakhs as at 31.03.2024, Rs. 11.49 lakhs as at 31.03.2023, and Rs. 19.97 lakhs as at 31.03.2022)				
<b>Total</b>	<b>342.88</b>	<b>213.12</b>	<b>210.57</b>	<b>105.14</b>

**BALAJI PHOSPHATES  
LIMITED**  
(Formerly known as Balaji  
Phosphates Private Limited)  
**Annexure VII : Notes to the Restated  
Consolidated Summary Statements**  
(All amount in Rs. Lakhs  
unless otherwise stated)

**11 Equity Share Capital**

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Authorised :</b>				
2,50,00,000 Equity Shares (March 31, 2023: 1,06,00,000; March 31, 2022: 1,06,00,000) of Rs 10 each	2,500.00	2,500.00	1,060.00	1,060.00
	<b>2,500.00</b>	<b>2,500.00</b>	<b>1,060.00</b>	<b>1,060.00</b>

**Issued, Subscribed and Paid up  
:**

1,78,37,100 Equity Shares (March 31, 2023: 89,18,550; March 31, 2022: 59,45,700) of Rs 10 each fully paid up	1,783.71	1,783.71	891.86	594.57
	<b>1,783.71</b>	<b>1,783.71</b>	<b>891.86</b>	<b>594.57</b>

**a) Reconciliation of number of  
shares**

Equity Shares	As at 31.08.2024		As at 31.03.2024		As at 31.03.2023		As at 31.03.2022	
	Number	(Rs.)	Number	(Rs.)	Number	(Rs.)	Number	(Rs.)
Shares outstanding at the beginning	1,78,37,100	1,783.71	89,18,550	891.86	59,45,700	594.57	59,45,700	594.57
Bonus shares issued during the year	-	-	89,18,550	891.86	29,72,850	297.29	-	-
Shares forfeited during the year	-	-	-	-	-	-	-	-
<b>Shares outstanding at the end</b>	<b>1,78,37,100</b>	<b>1,783.71</b>	<b>1,78,37,100</b>	<b>1,783.71</b>	<b>89,18,550</b>	<b>891.86</b>	<b>59,45,700</b>	<b>594.57</b>

During the year ended March 31, 2023, pursuant to the shareholders approvals under Section 63 and other applicable provisions of the Companies Act, 2013, the Holding Company has issued bonus shares in the ratio of 1:2 (i.e one bonus equity share of Rs.10 each for every two fully paid up equity shares of Rs.10 each) to the shareholders on record date of 02 March 2023, by capitalising retained earnings by sum of Rs.297.29 lakhs.

During the year ended March 31, 2024, pursuant to the shareholders approvals under Section 63 and other applicable provisions of the Companies Act, 2013, the Holding Company has issued bonus shares in the ratio of 1:1 (i.e one bonus equity share of Rs.10 each for every one fully paid up equity share of Rs.10 each) to the shareholders on record date of 28 August 2023, by capitalising retained earnings by sum of Rs.891.86 lakhs.

**b) Details of shareholders holding more than 5% of shares:**

Name of Shareholders	As at 31.08.2024		As at 31.03.2024		As at 31.03.2023		As at 31.03.2022	
	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held
Equity Shares of Rs. 10 each held by:								
1. Mohit Airen	40.29%	71,87,220	40.29%	71,87,220	40.29%	35,93,610	40.29%	23,95,740
2. Alok Gupta	32.76%	58,43,880	32.76%	58,43,880	32.76%	29,21,940	32.76%	19,47,960
3. Mohit Airen (H.U.F.)	10.27%	18,31,500	10.27%	18,31,500	10.27%	9,15,750	10.27%	6,10,500
4. Sonu Airen	8.00%	14,26,500	8.00%	14,26,500	8.00%	7,13,250	8.00%	4,75,500
5. Alok Gupta (H.U.F.)	5.15%	9,18,000	5.15%	9,18,000	5.15%	4,59,000	5.15%	3,06,000

As per the records of the Company, including its registers of Shareholders/Members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**c) Details of shareholding of promoters:**

Name of Shareholders	As at 31.08.2024			As at 31.03.2024			As at 31.03.2023			As at 31.03.2022		
	% of Holding	No. of Shares held	% Change in Holding	% of Holding	No. of Shares held	% Change in Holding	% of Holding	No. of Shares held	% Change in Holding	% of Holding	No. of Shares held	% Change in Holding

Equity Shares of Rs. 10 each held by:

1. Mohit Airen	40.29%	71,87,220	-	40.29%	71,87,220	-	40.29%	35,93,610	-	40.29%	23,95,740	-
2. Alok Gupta	32.76%	58,43,880	-	32.76%	58,43,880	-	32.76%	29,21,940	-	32.76%	19,47,960	-

**d) Rights, preferences and restrictions :**

The Company has only one class of equity shares (i.e. equity shares with equal rights for dividend and repayment) having a par value of Rs 10 Per Share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. the distribution will be in proportion to the no. of equity shares held by shareholder.

e) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

**12 Other Equity**

	Reserves and Surplus				OCI	Total Equity	Non-controlling interest	Total
	Capital Subsidy Reserve	Investment Allowance Reserve	Retained Earnings	Shares Forfeiture Reserve	Remeasurement of net defined benefit plan			
<b>Balance as on 01.04.2020</b>	<b>15.36</b>	<b>12.05</b>	<b>1,000.52</b>	<b>-</b>	<b>-</b>	<b>1,027.94</b>	<b>0.05</b>	<b>1,027.98</b>
Profit/(loss) for the year	-	-	114.80	-	-	114.80	0.00	114.80
Other Comprehensive Income / (loss)	-	-	-	-	0.03	0.03	-	0.03
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>114.80</b>	<b>-</b>	<b>0.03</b>	<b>114.83</b>	<b>0.00</b>	<b>114.83</b>
Dividends paid (incl. dividend distribution tax)	-	-	-	-	-	-	-	-
Shares forfeited during the year	-	-	-	229.71	-	229.71	-	229.71
Transfer to General Reserves	-	-	-	-	-	-	-	-
<b>Balance as on 31.03.2021</b>	<b>15.36</b>	<b>12.05</b>	<b>1,115.32</b>	<b>229.71</b>	<b>0.03</b>	<b>1,372.47</b>	<b>0.05</b>	<b>1,372.52</b>



Profit for the year	-		319.07	-	-	319.07	0.01	319.08
Other Comprehensive Income	-		-	-	0.18	0.18	-	0.18
<b>Total Comprehensive Income for the year</b>	-	-	<b>319.07</b>	-	<b>0.18</b>	<b>319.25</b>	<b>0.01</b>	<b>319.26</b>
<b>Balance as on 31.03.2022</b>	<b>15.36</b>	<b>12.05</b>	<b>1,434.39</b>	<b>229.71</b>	<b>0.21</b>	<b>1,691.72</b>	<b>0.06</b>	<b>1,691.78</b>
Profit for the year	-	-	608.76	-	-	608.76	0.01	608.76
Other Comprehensive Income	-	-	-	-	1.39	1.39	-	1.39
<b>Total Comprehensive Income for the year</b>	-	-	<b>608.76</b>	-	<b>1.39</b>	<b>610.15</b>	<b>0.01</b>	<b>610.15</b>
Bonus shares issue			297.29			297.29	-	297.29
<b>Balance as on 31.03.2023</b>	<b>15.36</b>	<b>12.05</b>	<b>1,745.86</b>	<b>229.71</b>	<b>1.60</b>	<b>2,004.58</b>	<b>0.06</b>	<b>2,004.65</b>
Profit for the year	-	-	604.03	-	-	604.03	0.02	604.05
Other Comprehensive Income	-	-	-	-	-0.22	-0.22	-	-0.22
<b>Total Comprehensive Income for the year</b>	-	-	<b>604.03</b>	-	<b>-0.22</b>	<b>603.81</b>	<b>0.02</b>	<b>603.82</b>
Bonus shares issue	-	-	-	-	-	-	-	-
<b>Balance as on 31.03.2024</b>	<b>15.36</b>	<b>12.05</b>	<b>1,458.03</b>	<b>229.71</b>	<b>1.38</b>	<b>1,716.53</b>	<b>0.08</b>	<b>1,716.61</b>
Profit for the year	-	-	414.64	-	-	414.64	0.00	414.65
Other Comprehensive Income	-	-	-	-	0.01	0.01	-	0.01
<b>Total Comprehensive Income for the year</b>	-	-	<b>414.64</b>	-	<b>0.01</b>	<b>414.66</b>	<b>0.00</b>	<b>414.66</b>
Bonus shares issue	-	-	-	-	-	-	-	-
<b>Balance as on 31.08.2024</b>	<b>15.36</b>	<b>12.05</b>	<b>1,872.68</b>	<b>229.71</b>	<b>1.39</b>	<b>2,131.19</b>	<b>0.08</b>	<b>2,131.27</b>

**BALAJI PHOSPHATES LIMITED****(Formerly known as Balaji Phosphates Private Limited)****Annexure VII : Notes to the Restated Consolidated Summary Statements***(All amount in Rs. Lakhs unless otherwise stated)***22 Revenue from Operations**

Particulars	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
Sale of products	5,236.33	14,854.70	14,190.55	12,135.11
Sale of services	100.73	299.93	263.69	230.23
	<b>5,337.06</b>	<b>15,154.63</b>	<b>14,454.24</b>	<b>12,365.34</b>
Less: Discounts	-	-	-	-
	<b>5,337.06</b>	<b>15,154.63</b>	<b>14,454.24</b>	<b>12,365.34</b>
<b>(ii) Other Operating Revenues</b>				
Export Incentives	-	-	-	-
<b>Total</b>	<b>5,337.06</b>	<b>15,154.63</b>	<b>14,454.24</b>	<b>12,365.34</b>

**23 Other Income**

Particulars	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
<b>Interest Income from financial assets at amortised cost</b>				
On bank deposits	2.95	7.55	5.28	11.49
Other Interest	0.41	2.34	3.12	3.29
<b>Other non-operating Income</b>				
Liabilities no longer required written back	144.25	2.37	-	-
VAT Refund	-	-	-	29.19
Miscellaneous income	-	-	1.37	0.55
<b>Other gains and losses</b>				
Net Gain on foreign currency transactions & translation	-	-	-	1.65
Net gain on sale of Investments measured at fair value through profit and loss	-	-	0.13	0.21
Net Profit on Sale of Property, Plant & Equipment	-	1.14	-	-
<b>Total</b>	<b>147.60</b>	<b>13.39</b>	<b>9.89</b>	<b>46.38</b>

**24 Cost of Materials Consumed**

Particulars	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
<b>Raw materials</b>				
Opening stock	628.58	1,670.59	801.76	1,160.57
Add : Purchases of Raw Materials	3,047.14	9,728.12	11,922.93	9,390.28
Less: Closing stock	803.17	628.58	1,670.59	801.76
<b>TOTAL</b>	<b>2,872.55</b>	<b>10,770.14</b>	<b>11,054.10</b>	<b>9,749.09</b>

**25 Changes in inventories of finished goods and work-in-progress**

Particulars	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
<b>Inventories at the beginning of the period</b>				
Finished Goods	1,672.35	1,538.25	1,273.71	819.20
Work in Progress	792.37	907.91	235.95	62.39
(a) <b>2,464.72</b>	<b>2,464.72</b>	<b>2,446.16</b>	<b>1,509.66</b>	<b>881.59</b>
<b>Inventories at the end of the period</b>				
Finished goods	1,740.12	1,672.35	1,538.25	1,273.71
Work in Progress	76.93	792.37	907.91	235.95
(b) <b>1,817.06</b>	<b>1,817.06</b>	<b>2,464.72</b>	<b>2,446.16</b>	<b>1,509.66</b>
<b>Net (Increase)/Decrease in Inventories (a) - (b)</b>	<b>647.66</b>	<b>-18.56</b>	<b>-936.50</b>	<b>-628.07</b>

## 26 Employee Benefits Expense

Particulars	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
Salaries, wages and benefits	312.17	735.79	674.51	619.57
Contribution to provident and other funds*	20.52	32.01	35.34	24.04
Staff welfare expenses	2.39	8.30	6.05	7.81
<b>Total</b>	<b>335.08</b>	<b>776.09</b>	<b>715.90</b>	<b>651.43</b>

\*Includes Gratuity Expenses. Refer Note 36

## 27 Finance Costs

Particulars	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
Interest Expense towards:				
- Working Capital Borrowings	84.10	142.11	98.19	69.53
- Term Loans from Banks	53.30	133.12	123.75	135.66
- Other Interest	4.17	26.55	19.68	27.20
Other Borrowing Costs	-	-	23.50	52.03
<b>Total</b>	<b>141.57</b>	<b>301.78</b>	<b>265.12</b>	<b>284.42</b>

## 2A Depreciation and Amortisation Expense

Particulars	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
Depreciation on Property, Plant and Equipment (refer note 2A)	36.42	84.73	84.41	98.21
<b>Total</b>	<b>36.42</b>	<b>84.73</b>	<b>84.41</b>	<b>98.21</b>

## 28 Other Expenses

Particulars	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
Consumption of stores, spares and consumables	-	12.10	2.37	-
Power and Fuel	236.37	560.82	750.71	206.84
Processing Charges	94.70	141.95	207.81	194.56
Pollution Control Expenses	-	-	0.73	0.73
Administration charges on provident fund	0.74	1.55	1.34	1.33

Freight Charges	296.69	470.03	837.53	712.69
Handling & Distribution Charges	100.41	384.43	109.29	117.57
Brokerage and Commission	2.45	17.74	28.89	14.59
Advertisement and Sales Promotion Expenses	7.57	13.60	7.78	26.53
Legal and Professional Expenses	9.28	42.20	7.74	10.80
Communication expenses	2.58	9.38	8.42	9.27
Travelling & Conveyance	44.16	129.10	125.15	133.61
Filing Expenses	0.33	14.42	0.13	0.44
Rent Expenses	9.44	20.89	25.45	20.31
<b>Repairs &amp; Maintenance</b>	-	-		
- Machinery	26.94	118.92	99.94	78.83
- Building	14.30	51.27	29.80	54.84
- Others	1.10	2.02	0.94	0.92
Rates, Fees and Taxes	4.36	233.60	109.84	74.88
Bank Charges	7.22	17.87	3.12	2.43
Insurance	21.82	21.17	37.42	39.77
Office expenses	2.41	3.35	5.59	12.61
Printing and stationery expense	1.25	2.97	2.74	2.07
Computer and software expenses	-	0.18	0.21	0.75
Vehicle Expenses	3.68	8.37	28.94	24.80
Corporate Social Responsibility Expenses including other Donations*	-	9.50	-	-
<i>Payment to Auditors</i>				
- Statutory Audit Fees	-	0.60	1.25	1.25
- In other Capacity	-	-		
For Tax Audit	-	-	0.25	0.25
For other audit engagements	3.11	5.33	0.14	0.14
Out of pocket expenses	-	-	-	-
Bad Debts	-	-	0.68	1.78
Provision for Expected Credit Losses (refer note 34)	14.20	1.07	-0.87	3.02
Net Loss on Sale of Property, Plant & Equipment	-	-	-	2.33
Net Loss on foreign currency transactions & translation	-	2.72	15.05	5.35
Miscellaneous Expenses	4.10	13.77	5.18	6.60
<b>Total</b>	<b>909.22</b>	<b>2,310.91</b>	<b>2,453.53</b>	<b>1,761.90</b>

## Annexure VII : Notes to the Restated Consolidated Summary Statements

### 29 Income Taxes

Particulars	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
<b>(i) Tax expense recognised in the statement of profit and loss</b>				
Current Tax on profits for the period	132.77	237.74	222.43	129.24
Adjustments for current tax of prior periods	-	-	-	-
<b>Total Current Tax Expense</b>	<b>132.77</b>	<b>237.74</b>	<b>222.43</b>	<b>129.24</b>
Deferred Tax charge/(credit) P&L	(5.25)	(5.19)	(3.63)	7.78
<b>Total Deferred Tax Expense</b>	<b>(5.25)</b>	<b>(5.19)</b>	<b>(3.63)</b>	<b>7.78</b>
<b>Income tax expense recognised in the statement of profit and loss</b>	<b>127.52</b>	<b>232.55</b>	<b>218.80</b>	<b>137.01</b>
<b>(ii) Tax expense recognised in OCI</b>				
<b>Deferred Tax:</b>				
Deferred Tax Expense on Remeasurement of defined benefit plans through OCI	0.00	0.07	(0.57)	(0.08)
<b>Income tax expense recognised in the statement of profit and loss</b>	<b>0.00</b>	<b>0.07</b>	<b>(0.57)</b>	<b>(0.08)</b>

Particulars	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:</b>				
Enacted income tax rate in India applicable to the Company (in %)	25.168%	25.168%	25.168%	27.820%
Profit/ (Loss) before income tax expense	542.17	836.59	827.56	456.09
<b>Current tax expense on Profit/(loss) before tax expenses at enacted income tax rate in India</b>	<b>136.45</b>	<b>210.55</b>	<b>208.28</b>	<b>126.88</b>
<b>Tax effects of :</b>				
Tax effect on non-deductible expenses	-	21.84	12.71	5.47
Effect of Income which is taxed at special rates	-	-	-0.01	-0.02
Others	-8.94	0.16	-2.19	4.69
<b>Total</b>	<b>127.52</b>	<b>232.55</b>	<b>218.80</b>	<b>137.02</b>
<b>Short Provision for Tax for earlier years</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Tax expense as per Statement of Profit and Loss</b>	<b>127.52</b>	<b>232.55</b>	<b>218.80</b>	<b>137.01</b>
Consequent to reconciliation items shown above, the effective tax rate is	23.52%	27.80%	26.44%	30.04%

The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows:  
As at 31.08.2024

Particulars	Balance as on 01.04.2024	Profit and Loss for the Period	OCI for the Period	Balance as on 31.08.2024
<b>Deferred tax Liabilities / (Assets) in relation to:</b>				
Difference between written down value/capital work in progress of Property, Plant & Equipment as per the books of accounts and Income Tax Act, 1961	21.72	-1.53	-	20.19
Provision for Expected Credit losses on Trade Receivables	-7.89	-3.57	-	-11.47
Provision for Gratuity	-	-	-	-

Others	-1.07	-0.15	0.00	-1.21
<b>Total</b>	<b>12.76</b>	<b>-5.25</b>	<b>0.00</b>	<b>7.51</b>

#### As at 31.03.2024

Particulars	Balance as on 01.04.2023	Profit and Loss for the Period	OCI for the Period	Balance as on 31.12.2023
<b>Deferred tax Liabilities / (Assets) in relation to:</b>				
Difference between written down value/capital work in progress of Property, Plant & Equipment as per the books of accounts and Income Tax Act, 1961	26.51	-4.79	-	21.72
Provision for Expected Credit losses on Trade Receivables	-7.63	-0.27	-	-7.89
Provision for Gratuity		-	-	-
Others	-0.85	-0.29	0.07	-1.07
<b>Total</b>	<b>18.03</b>	<b>-5.34</b>	<b>0.07</b>	<b>12.76</b>

#### As at 31.03.2023

Particulars	Balance as on 01.04.2022	Profit and Loss for the year	OCI for the year	Balance as on 31.03.2023
<b>Deferred tax Liabilities / (Assets) in relation to:</b>				
Difference between written down value/capital work in progress of Property, Plant & Equipment as per the books of accounts and Income Tax Act, 1961	30.32	-3.81	-	<b>26.51</b>
Provision for Expected Credit losses on Trade Receivables	-8.67	1.05	-	-7.63
Others	-0.56	0.28	-0.57	-0.85
<b>Total</b>	<b>21.09</b>	<b>-2.49</b>	<b>-0.57</b>	<b>18.03</b>

#### As at 31.03.2022

Particulars	Balance as on 01.04.2021	Profit and Loss for the year	OCI for the year	Balance as on 31.03.2022
<b>Deferred tax Liabilities / (Assets) in relation to:</b>				
Difference between written down value/capital work in progress of Property, Plant & Equipment as per the books of accounts and Income Tax Act, 1961	29.01	1.31	-	<b>30.32</b>
Provision for Expected Credit losses on Trade Receivables	-7.83	-0.84	-	<b>-8.67</b>
Provision for Gratuity	-			
Others	-7.94	7.45	-0.08	<b>-0.56</b>
<b>Total</b>	<b>13.24</b>	<b>7.92</b>	<b>-0.08</b>	<b>21.09</b>

### 30 Group Information

The Group's details as at 31st August 2024 is set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of the entity	% of equity interest			
	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Jyoti Weighing Systems Private Limited	99.98%	99.98%	99.98%	99.98%
Principal Activities: Manufacturing of weigh bridge and annual service maintainence				
Country of Incorporation: India				

**BALAJI PHOSPHATES LIMITED**  
**(Formerly known as Balaji Phosphates**  
**Private Limited)**  
**Annexure VII : Notes to the Restated Consolidated**  
**Summary Statements**  
*(All amount in Rs. Lakhs unless otherwise*  
*stated)*

**31 Related party disclosures as per Ind AS 24**

**1 Related parties with whom transactions have taken place during the period and its relationship:**

<b>Name of the related parties</b>	<b>Designation / Relationship</b>
Mohit Airen	Managing Director
Alok Gupta	Director
Ravindra Kumar Chourishi	Chief Financial Officer - Key Management Personnel (w.e.f 1st May, 2023)
Aashi Neema	Independent Director - Compliance Officer (w.e.f 8th May, 2023)
Surabhi Agrawal	Independent Director (w.e.f 8th May, 2023)
Sunil Kumar Talwar	Director (w.e.f 8th April, 2023)
Nupur Lodwal	Independent Director (w.e.f 8th May, 2023)
Sweena Gangwani	Independent Director (w.e.f 1st August, 2024)
Meenakshi Gupta	Relative of Key Management Personnel
Disha Soni	Company Secretary (w.e.f 1st May, 2023)
Deepika Singh	Company Secretary (w.e.f 1st April, 2024)
Jyoti Weighing Systems Private Limited	Subsidiary
Divya Jyoti Agritech Private Limited	Director has a significant influence
Divyashakti Foods Private Limited	Director has a significant influence
Chatak Agro India Private Limited	Director has a significant influence
E-fasal	Director has a significant influence
Highyield Agritech Corporation	Director has a significant influence

**2 Transactions during the period**

	<b>Period ended 31.08.2024</b>	<b>Year 2023-24</b>	<b>Year 2022-23</b>	<b>Year 2021-22</b>
<b>Remuneration</b>				
Mohit Airen	14.25	52.20	52.20	17.55
Alok Gupta	6.00	32.40	34.60	14.85
Meenakshi Gupta	-	-	3.20	1.60
Ravindra Kumar Chourishi	2.63	6.30	6.25	6.25
Disha Soni	-	1.93	-	-
Aashi Neema	0.15	0.55	-	-
Surabhi Agrawal	0.15	0.55	-	-
Nupur Lodwal	0.15	0.55	-	-
Deepika Singh	1.10	-	-	-
<b>Sale of Goods/ Supply of Services (Net)</b>				
Highyield Agritech Corporation	41.61	6.59	15.83	18.53

Chatak Agro India Private Limited	-	14.84	162.50	160.25
E-fasal	-	2.85	14.05	20.70
Divyashakti Foods Private Limited	13.39	0.94	-	-
Divya Jyoti Agritech Private Limited	16.10	1.78	-	4.01

#### Interest Expenses

Highyield Agritech Corporation	-	20.43	29.51	23.27
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#### Purchase of Goods

Chatak Agro India Private Limited	-	-	13.83	18.90
Divya Jyoti Agritech Private Limited	-	-	0.79	2.55
Highyield Agritech Corporation	-	-	-	-
Divyashakti Foods Private Limited	-	4.43	-	-

#### Loans & Advances Received

Highyield Agritech Corporation	100.32	328.56	1,514.05	-
Divya Jyoti Agritech Private Limited	-	-	-	-
Divyashakti Foods Private Limited	26.14	30.00	126.20	-
Chatak Agro India Private Limited	54.08	242.76		
Mohit Airen	28.00	15.00	-	-
Alok Gupta	-	-	-	-

#### Loans & Advances Repaid

Highyield Agritech Corporation	100.32	1,267.75	593.02	-
Divya Jyoti Agritech Private Limited	-	-	-	-
Divyashakti Foods Private Limited	12.50	75.00	113.91	-
Chatak Agro India Private Limited	55.20	240.26		
Mohit Airen	5.00	15.00	-	-
Alok Gupta	-	-	-	-

#### Loans & Advances Given

Highyield Agritech Corporation	488.18	1,492.54	-	25.00
Divya Jyoti Agritech Private Limited	-	10.53	-	-
Divyashakti Foods Private Limited	177.41	325.95	-	-
Chatak Agro India Private Limited	12.50	-	-	-

#### Loans & Advances Repayment received

Highyield Agritech Corporation	1,000.02	871.95	-	25.00
Divya Jyoti Agritech Private Limited		10.53	-	-
Divyashakti Foods Private Limited	188.78	300.95	-	-
Chatak Agro India Private Limited	10.52	-	-	-

### 3 Outstanding balances as at

	Period ended 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Payable</b>				
Mohit Airen	25.8	3.59	1.00	15.50
Alok Gupta	2.15	2.70	1.20	15.50
Meenakshi Gupta	-	-	-	0.80
Highyield Agritech Corporation	-	-	921.03	-



Chatak Agro India Private Limited	-	2.50	-	-
Disha Soni	0.22	0.22	-	-
Ravindra Kumar Chourishi	0.51	0.51	-	-
Divyashakti Foods Private Limited	-	-	45.00	-
Divya Jyoti Agritech Private Limited	10.40	-	-	-
Aashi Neema	-	0.15	-	-
Surabhi Agrawal	-	0.15	-	-
Nupur Lodwal	-	0.15	-	-
Deepika Singh	0.22	-	-	-
<b>Receivable</b>				
Divyashakti Foods Private Limited	-	25.00	-	-
Ravindra Kumar Chourishi	-	-	-	0.07
Highyield Agritech Corporation	106.48	618.32	-	-
Alok Gupta	-	0.30	-	-
Chatak Agro India Private Limited	0.60	-	-	-
<b>Trade Receivable</b>				
Chatak Agro India Private Limited	-	-	114.70	-
E-fasal	-	-	-	-
<b>Trade Payable</b>				
Divya Jyoti Agritech Private Limited	-	-	-	-

#### 4 Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. No balances in respect of the related parties has been provided for written off / written back, except what is stated above.

Related party relationship is as identified by the management and relied upon by the auditors.

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**32 Segment**

**Reporting**

The reportable segments of the Company are fertilizers and Weigh Bridge. The segments are largely organised and managed separately according to the organisation structure that is designed based on the nature of products and services and profile of customers. Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Chairman and Managing Director jointly regarded as the Chief Operating Decision Maker (“CODM”). Description of each of the reportable segments for all periods presented, is as under

(a) Fertilizers - Manufacturing of single

super phosphates fertilizers

(b) Weigh Bridge - Manufacturing of weigh bridge

and annual service maintainence

The measurement of each segment’s revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the financial statements.

Particulars	Period Ended 31.08.2024			Year 2023-24			Year 2022-23			Year 2021-22		
	Fertilizer	Weigh Bridge	Total	Fertilizer	Weigh Bridge	Total	Fertilizer	Weigh Bridge	Total	Fertilizer	Weigh Bridge	Total
<b>a. Revenue</b>												
External Revenue	4,409.28	871.67	5,280.95	11,823.05	3,336.51	15,159.56	11,192.83	3,261.41	14,454.24	8,930.13	3,435.21	12,365.34
Intersegment Revenue	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>4,409.28</b>	<b>871.67</b>	<b>5,280.95</b>	<b>11,823.05</b>	<b>3,336.51</b>	<b>15,159.56</b>	<b>11,192.83</b>	<b>3,261.41</b>	<b>14,454.24</b>	<b>8,930.13</b>	<b>3,435.21</b>	<b>12,365.34</b>
<b>b. Result</b>												
Segment Results before exceptional items	534.36	7.81	542.17	724.96	111.63	836.59	787.97	39.59	827.56	404.09	52.00	456.09
Add/(less): Extraordinary items allocated to Segments	-	-	-	-	-	-	-	-	-	-	-	-
Segment Results after exceptional items	534.36	7.81	542.17	724.96	111.63	836.59	787.97	39.59	827.56	404.09	52.00	456.09

<b>Reconciliation to profit/loss after tax</b>				
<b>Profit before tax</b>	<b>542.17</b>	<b>836.59</b>	<b>827.56</b>	<b>456.09</b>
Tax expense	127.52	232.55	218.80	137.01
<b>Profit after Tax</b>	<b>414.65</b>	<b>604.05</b>	<b>608.76</b>	<b>319.08</b>

**c. Segment Assets and liabilities**

Segment Assets	8,545.12	982.91	9,528.04	8,074.25	774.09	8,848.34	8,921.82	760.89	9,682.72	7,454.92	780.51	8,235.43
Segment Liabilities	5,036.12	576.94	5,613.05	4,973.39	374.63	5,348.01	6,344.74	441.47	6,786.21	5,457.93	491.15	5,949.08

**Reconciliation of segment assets to total assets**

Segment Assets	8,545.12	982.91	9,528.04	8,074.25	774.09	8,848.34	8,921.82	760.89	9,682.72	7,454.92	780.51	8,235.43
Unallocated Assets	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>8,545.12</b>	<b>982.91</b>	<b>9,528.04</b>	<b>8,074.25</b>	<b>774.09</b>	<b>8,848.34</b>	<b>8,921.82</b>	<b>760.89</b>	<b>9,682.72</b>	<b>7,454.92</b>	<b>780.51</b>	<b>8,235.43</b>

**Reconciliation of segment liabilities to total liabilities**

Segment liabilities	5,036.12	576.94	5,613.05	4,973.39	374.63	5,348.01	6,344.74	441.47	6,786.21	5,457.93	491.15	5,949.08
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>5,036.12</b>	<b>576.94</b>	<b>5,613.05</b>	<b>4,973.39</b>	<b>374.63</b>	<b>5,348.01</b>	<b>6,344.74</b>	<b>441.47</b>	<b>6,786.21</b>	<b>5,457.93</b>	<b>491.15</b>	<b>5,949.08</b>

### Geographical Information

a. Revenue from external customers	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
attributed to the Company's country of domicile, India	5,300.55	15,140.60	14,371.36	12,305.16
attributed to all foreign countries	36.50	14.02	82.88	60.18
<b>Total</b>	<b>5,337.06</b>	<b>15,154.63</b>	<b>14,454.24</b>	<b>12,365.34</b>

b. Revenues from transactions with a customers exceeding 10% of the Company's sales	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
Revenues from transactions with major customers exceeding 10% of the Company's sales from each such customer	6,511.48	8,128.60	8,066.31	6,502.44
<b>Total</b>	<b>6,511.48</b>	<b>8,128.60</b>	<b>8,066.31</b>	<b>6,502.44</b>

Revenues from transactions with a single external customer did not amount to 10 per cent or more of the Group's revenues from external customers during the period ended 31st August, 2024 and year ended 31st March, 2023, and 31st March, 2022 respectively.

### 33 Earnings per share (EPS)

	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
A Profit attributable to equity share holders of the Company for basic and diluted earnings per share	414.66	603.82	610.15	319.26
B Weighted average number of equity shares considered after bonus of shares into Rs. 10 each	1,78,37,100.00	1,78,37,100	1,78,37,100	1,78,37,100
C Nominal Value of Equity Share	10.00	10.00	10.00	10.00
<b>Basic earnings per share</b>	<b>2.32</b>	<b>3.39</b>	<b>3.42</b>	<b>1.79</b>
<b>Diluted earnings per share</b>	<b>2.32</b>	<b>3.39</b>	<b>3.42</b>	<b>1.79</b>

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**34 Contingent Liabilities and**  
**Commitments**

**(a) Contingent Liabilities**

	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Income Tax Authorities	-	0.96	3.66	-
Goods & Service Tax	26.47	26.47	-	-
Claims against the Company not acknowledged as debts	-	-	-	-
<b>Total</b>	<b>26.47</b>	<b>27.43</b>	<b>3.66</b>	<b>-</b>

**(b) Capital and Other Material**  
**Commitments**

	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Capital Commitments	-	-	-	-
Other Material Commitments	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**Financial instruments**

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The details of Material accounting policies, including criteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1.

**A Calculation of fair values**

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values of financial instruments:

- The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans).
- Cash and cash equivalents, trade receivables, investments in term deposits, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

**Financial Assets and Liabilities**

The accounting classification of each category of financial instruments, and their carrying amounts are set out as below:

**a. Financial Assets**

	Instruments carried at fair value		
	FVOCI (Other instruments)	Fair value through profit & loss	Instruments carried at amortised cost
			Total Carrying Value
<b>As at 31.03.2022</b>			
(i) Investments	-	-	-
(ii) Other financial assets	-	-	214.85
(iii) Trade receivables	-	-	3,085.83
(iv) Cash and cash equivalents	-	-	263.89
(v) Other Balances with Banks	-	-	-
<b>Total</b>	-	-	<b>3,564.57</b>
<b>As at 31.03.2023</b>			
(i) Investments	-	-	-
(ii) Other financial assets	-	-	230.05
(iii) Trade receivables	-	-	2,999.51
(iv) Cash and cash equivalents	-	-	269.14

(v) Other Balances with Banks	-	-	-	-
<b>Total</b>	-	-	<b>3,498.70</b>	<b>3,498.70</b>
<b>As at 31.03.2024</b>				
(i) Investments	-	-	-	-
(ii) Other financial assets	-	-	230.52	<b>230.52</b>
(iii) Trade receivables	-	-	3,105.16	<b>3,105.16</b>
(iv) Cash and cash equivalents	-	-	222.40	<b>222.40</b>
(v) Other Balances with Banks	-	-	-	-
<b>Total</b>	-	-	<b>3,558.08</b>	<b>3,558.08</b>
<b>As at 31.08.2024</b>				
(i) Investments	-	-	-	-
(ii) Other financial assets	-	-	210.55	<b>210.55</b>
(iii) Trade receivables	-	-	4,511.30	<b>4,511.30</b>
(iv) Cash and cash equivalents	-	-	230.57	<b>230.57</b>
(v) Other Balances with Banks	-	-	-	-
<b>Total</b>	-	-	<b>4,952.42</b>	<b>4,952.42</b>

#### b. Financial Liabilities

		Fair value through profit & loss	At amortised cost	Total carrying amount
<b>As at 31.03.2022</b>				
(i) Borrowings		-	1,987.50	1,987.50
(ii) Other Financial Liabilities		-	81.31	81.31
(iii) Trade Payables		-	1,848.09	1,848.09
<b>Total</b>		-	<b>3,916.90</b>	<b>3,916.90</b>
<b>As at 31.03.2023</b>				
(i) Borrowings		-	2,631.50	2,631.50
(ii) Other Financial Liabilities		-	68.85	68.85
(iii) Trade Payables		-	1,944.87	1,944.87
<b>Total</b>		-	<b>4,645.21</b>	<b>4,645.21</b>

<b>As at 31.03.2024</b>			
(i) Borrowings	-	3,322.10	3,322.10
(ii) Other Financial Liabilities	-	101.43	101.43
(iii) Trade Payables	-	978.17	978.17
<b>Total</b>	<b>-</b>	<b>4,401.69</b>	<b>4,401.69</b>
<b>As at 31.08.2024</b>			
(i) Borrowings	-	3,557.54	3,557.54
(ii) Other Financial Liabilities	-	88.73	88.73
(iii) Trade Payables	-	1,086.42	1,086.42
<b>Total</b>	<b>-</b>	<b>4,732.70</b>	<b>4,732.70</b>

**c. Fair value hierarchy**

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The categories used are as follows:

- Level 1: It includes financial instruments measured using quoted prices and the mutual funds are measured using the closing Net Asset Value (NAV).
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There were no transfer between Level 1 and Level 2 in the periods.

There has been no change in fair value hierarchy of any financial asset and liability during the periods ended 31.08.2024, 31.03.2024, 31.03.2023, and 31.03.2022.



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**Assets and liabilities relating to Employee Benefits**  
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See accounting policy in Note 1(1.3)(n)  
For details about the related employee benefit expenses, see Note 26

**A. Defined Contribution Plan:**

The Company's defined contribution plans are superannuation, employees state insurance scheme and provident fund administered by Government since the Company has no further obligation beyond making the contributions. The expenses recognised during the Period towards defined contribution plans are as detailed below:

Particulars	Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
Provident Fund and other Funds	20.52	32.01	35.34	24.04
Total included in Note 23 - 'Contribution to provident and other funds'	<b>20.52</b>	<b>32.01</b>	<b>35.34</b>	<b>24.04</b>

**B. Defined Benefit Obligation:**

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972/ Company policy. Employees who are in continuous service for a period of 5 years or more are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employee's last drawn salary per month computed proportionately as per the Payment of Gratuity Act, 1972/ Company policy multiplied for the number of years of service.

**The results of the actuarial study for the obligation for employee benefits as computed by the actuary are shown below:**

Actuarial study analysis	Gratuity Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
<b>Principal actuarial assumptions</b>				
Discount rate	6.88%	7.18%	7.29%	5.66%
Range of compensation increase	6.00%	6.00%	6.00%	6.00%
Attrition Rate	20.00%	20.00%	20.00%	20.00%
Retirement Age	60 Years	60 Years	60 Years	60 Years

Actuarial study analysis	Gratuity Period ended 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
<b>Components of income statement charge</b>				
Current service cost	0.45	0.60	0.93	0.93
Interest cost	0.14	0.25	0.24	0.19
Recognition of past service cost	-	-	-	-
Immediate recognition of (gain)/losses	-	-	-	-

Settlement/curtailment/termination loss	-	-	-	-
<b>Total charged to statement of profit or loss</b>	<b>0.59</b>	<b>0.84</b>	<b>1.17</b>	<b>1.11</b>
<b>Movements in net liability/(asset)</b>				
Net liability at the beginning of the period	4.52	3.38	4.18	3.32
Employer contributions			-	-
Total expense recognised in the statement of profit or loss	0.59	0.84	1.17	1.11
Total expense recognised in the Retained Earnings			-	-
Total amount recognised in OCI	-0.01	0.30	1.96	0.26
<b>Net liability at the end of the period</b>	<b>5.10</b>	<b>4.52</b>	<b>3.38</b>	<b>4.18</b>
<b>Reconciliation of benefit obligations</b>				
Obligation at start of the period	4.52	3.38	4.18	3.32
Current service cost	0.45	0.60	0.93	0.93
Interest cost	0.14	0.25	0.24	0.19
Benefits paid directly by the Group	-	-	-	-
Extra payments or expenses/(income)	-	-	-	-
Obligation of past service cost	-	-	-	-
Actuarial loss	-0.01	0.30	1.96	0.26
<b>Defined benefits obligations at the end of the period</b>	<b>5.10</b>	<b>4.52</b>	<b>3.38</b>	<b>4.18</b>
<b>Re-measurements of defined benefit plans</b>				
Actuarial gain/(loss) due to changes in demographic assumptions	-	-	-	-
Actuarial gain/(loss) due to changes in financial assumptions	0.05	0.01	0.18	0.01
Actuarial gain/(loss) on account of experience adjustments	-0.05	0.28	1.78	0.25
<b>Total actuarial gain/(loss) recognised in OCI</b>	<b>-0.01</b>	<b>0.30</b>	<b>1.96</b>	<b>0.26</b>

#### Sensitivity analysis of significant assumptions

- C. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below. Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Sensitivity Analysis	Period ended 31.08.2024		Year 2022-23	Year 2021-22
<b>Discount rate</b>				
+ 1% discount rate	-0.15	-	-	-
	0.12	0.09	0.67	

- 1% discount rate	0.16					-
		0.13		0.10		0.47
<b>Salary increase</b>						
+ 1% salary growth	0.16		-		-	-
		0.85		0.48		0.47
- 1% salary growth	-0.15		-		-	-
		1.11		0.67		0.68
<b>Withdrawal rate</b>						
		-		-		-
+ 1% salary growth	-0.04		-		-	-
		1.01		0.60		0.59
- 1% salary growth	0.04		-		-	-
		0.95		0.56		0.56

**Note:**

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors as supply and demand in the employment market.

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#### **37 Financial risk management and Capital Management**

##### **(i) Financial risk management**

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group has exposure to the following risks arising from financial instruments:

- a. Credit risk;
- b. Liquidity risk;
- c. Market risk; and
- d. Interest rate risk

##### **(A) Credit risk**

Credit risk arises from the possibility that the value of receivables or other financial assets of the Group may be impaired because counterparties cannot meet their payment or other performance obligations.

To manage credit risks from trade receivables other than Related Party, the credit managers from Order to Cash department of the Group regularly analyse customer's receivables, overdue and payment behaviours. Some of these receivables are collateralised and the same is used according to conditions. These could include advance payments, security deposits, post-dated cheques etc. Credit limits for this trade receivables are evaluated and set in line with Group's internal guidelines. There is no significant concentration of default risk.

Credit risks from financial transactions are managed independently by Finance department. For banks and financial institutions, the Group has policies and operating guidelines in place to ensure that financial instrument transactions are only entered into with high quality banks and financial institutions. The Group had no other financial instrument that represents a significant concentration of credit risk.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Group continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in statement of profit & loss.

Credit risk is managed at Group level.

For other financial assets, the Group assesses and manages credit risk based on internal control and credit management system. The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a Group basis for each class of financial instruments with different characteristics.

The Group considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information. Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a financial asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

#### Ageing of account receivables at Gross

##### Level: Trade receivables

As on 31.08.2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 Months to 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Undisputed Trade Receivables - Considered good		3,954.14	249.03	171.38	85.82	96.50	4,556.87
Disputed trade receivables - Considered good	-	-	-	-	-	-	-
	-	3,954.14	249.03	171.38	85.82	96.50	4,556.87
Less: Allowance for Expected Credit Loss							45.57
<b>Total</b>	-	3,954.14	249.03	171.38	85.82	96.50	4,511.30

As on 31.03.2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 Months to 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Undisputed Trade Receivables - Considered good	-	2,106.82	626.97	215.26	64.08	123.40	3,136.53
Disputed trade receivables - Considered good	-	-	-	-	-	-	-
	-	2,106.82	626.97	215.26	64.08	123.40	3,136.53
Less: Allowance for Expected Credit Loss							-31.37
<b>Total</b>	-	2,106.82	626.97	215.26	64.08	123.40	3,105.16

As on 31.03.2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 Months to 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Undisputed Trade Receivables - Considered good	-	2,200.53	41.18	313.25	101.18	373.66	3,029.81
Disputed trade receivables - Considered good	-	-	-	-	-	-	-

	-	2,200.53	41.18	313.25	101.18	373.66	3,029.81
Less: Allowance for Expected Credit Loss						30.30	-
<b>Total</b>	-	2,200.53	41.18	313.25	101.18	373.66	2,999.51

As on 31.03.2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 Months to 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Undisputed Trade Receivables - Considered good	-	2,102.47	206.14	89.16	372.90	346.32	3,117.00
Disputed trade receivables - Considered good	-	-	-	-	-	-	-
	-	2,102.47	206.14	89.16	372.90	346.32	3,117.00
Less: Allowance for Expected Credit Loss							-31.17
<b>Total</b>	-	2,102.47	206.14	89.16	372.90	346.32	3,085.83

**Reconciliation of loss allowance - Trade Receivables**

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Opening balance	31.37	30.30	31.17	28.15
Allowance made during the period	14.20	1.07	-0.87	3.02
<b>Closing balance</b>	<b>45.57</b>	<b>31.37</b>	<b>30.30</b>	<b>31.17</b>

The Group maintains exposure in cash and cash equivalents, deposits with banks, investments, and other financial assets. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group believes that the current value of trade receivables reflects the fair value/ recoverable values.

**(B) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Due to the dynamic nature of underlying businesses, the Group maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecast of Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

**(i) Maturities of financial liabilities**

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

all non-derivative financial liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

## Maturity analysis of significant financial liabilities

Particulars	As at 31.08.2024			As at 31.03.2024			As at 31.03.2023			As at 31.03.2022		
	Carrying amount	Upto 1 year	More than 1 year	Carrying amount	Upto 1 year	More than 1 year	Carrying amount	Upto 1 year	More than 1 year	Carrying amount	Upto 1 year	More than 1 year
<b>Non-derivative financial liabilities</b>												
Term Loans	632.74	306.72	326.02	693.72	228.18	465.54	825.39	212.13	613.26	839.74	146.61	693.13
Short Term Borrowings	2,317.98	2,317.98	-	2,348.54	2,348.54	-	1,548.97	1,548.97	-	1,001.15	1,001.15	-
Trade and Other Payables	1,086.42	1,086.42	-	978.17	978.17	-	1,944.87	1,944.87	-	1,848.09	1,848.09	-
Other Financial Liabilities	88.73	88.73	-	101.43	101.43	-	68.85	68.85	-	81.31	81.31	-
Other Current Liabilities	524.86	524.86	-	541.20	541.20	-	1,895.89	1,895.89	-	1,901.78	1,901.78	-

**(C) Market risk**

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and market value of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

**(i) Foreign Currency Risk**

Foreign currency opportunities and risks for the Company result from changes in exchange rates and the related changes in the value of financial instruments (including receivables and payables) in the functional currency (INR). The Company is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to US Dollar(USD).

The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

#### Exposure to currency risk

The currency profile of financial assets and financial liabilities are as below:

	As at 31.08.2024			As at 31.03.2024			As at 31.03.2023			As at 31.03.2022		
	INR	EURO* (in Rupees)	USD* (in Rupees)	INR	EURO* (in Rupees)	USD* (in Rupees)	INR	EURO* (in Rupees)	USD* (in Rupees)	INR	EURO* (in Rupees)	USD* (in Rupees)
<b>Financial Liabilities</b>												
Trade payables	124.79	-	1.49	173.65	-	2.08	190.98	-	2.32	176.09	-	2.32
<b>Total</b>	<b>124.79</b>	<b>-</b>	<b>1.49</b>	<b>173.65</b>	<b>-</b>	<b>2.08</b>	<b>190.98</b>	<b>-</b>	<b>2.32</b>	<b>176.09</b>	<b>-</b>	<b>2.32</b>

\* Exposure of the Company in respect of the above mentioned Financial Asset and Financial Liabilities in Foreign Currency is unhedged.



The following significant exchange rates have been applied during the period.

Currency	Spot rate			
	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
USD	83.87	83.37	82.22	75.81

#### Sensitivity analysis

The following table details the Company's sensitivity to a 25 basis points increase and decrease in the Rupee against the relevant foreign currencies is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 0.25% change in foreign currency rate. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

	As at 31.08.2024		As at 31.03.2024		As at 31.03.2023		As at 31.03.2022	
	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
USD	-0.00	0.00	-0.01	0.01	-0.01	0.01	-0.01	0.01

#### (D) Cash flow and fair value interest rate risk

##### - Interest rate risk management:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

According to the Group, interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Non-current borrowings	632.74	693.72	825.39	839.74
Current Borrowings	2,342.48	2,348.54	1,593.97	1,001.15
Current maturities of long-term debt	306.72	228.18	212.13	146.61
Total borrowings	<b>3,281.94</b>	<b>3,270.44</b>	<b>2,631.50</b>	<b>1,987.50</b>
Borrowings not carrying variable Rate of Interest	-	-	-	-
Borrowings carrying variable rate of interest	3,281.94	3,270.44	2,631.50	1,987.50
% of Borrowings out of above bearing variable rate of interest	100.00%	100.00%	100.00%	100.00%

	As at 31.08.2024		As at 31.03.2024		As at 31.03.2023		As at 31.03.2022	
	0.50% increa se	0.50% decreas e	0.50% increase	0.50% decrease	0.50% increas e	0.50% decreas e	0.50% increa se	0.50% decreas e
A change of 50 bps in interest rates would have following Impact on profit before tax	16.41	-16.41	16.35	-16.35	13.16	-13.16	9.94	-9.94

**( Capital management**

ii)

The Group's objectives when managing capital are to:

1. safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets.

For Debt – Equity Ratio,  
refer Note 41

**BALAJI PHOSPHATES LIMITED**  
**(Formerly known as Balaji Phosphates**  
**Private Limited)**  
**Annexure VII : Notes to the Restated**  
**Consolidated Summary Statements**  
*(All amount in Rs. Lakhs unless otherwise*  
*stated)*

**38 Transition to Ind AS - Reconciliations**

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

- (i) A. Reconciliation of Balance sheet as at 31.03.2022  
B. Reconciliation of Statement of total Comprehensive Income for the year ended 31.03.2022.
- (ii) A. Reconciliation of Equity as at 31.03.2022  
B. Reconciliation of Total Comprehensive Income as at 31.03.2022
- (iii) Adjustments to Statement of Cash Flows

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

**I. A Reconciliation of Balance sheet**  
**as at 31.03.2022**

-

	<b>Regrouped Previous GAAP</b>	<b>Prior Period Adjustments</b>	<b>Ind AS</b>	<b>Ind AS</b>
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	693.57			693.57
Goodwill	591.12		-	539.18
Loans	14.22		-	-
<b>Total Non Current Assets</b>	<b>1,326.43</b>	<b>-</b>	<b>-93.68</b>	<b>1,232.75</b>
<b>Current Assets</b>				
Inventories	2,365.41		-	2,365.41
Financial Assets				
Investments	-		-	-
Loans	162.11		-	-
Trade Receivables	3,117.00	31.17		3,085.83
Cash and Bank Balances	101.78		162.11	263.89
Other Financial Assets	214.85			214.85
Other Current Assets	1,032.84		39.86	1,072.70
<b>Total Current Assets</b>	<b>6,993.99</b>	<b>-31.17</b>	<b>39.86</b>	<b>7,002.68</b>

<b>Total Assets</b>		<b>-31.17</b>	<b>-53.82</b>	<b>8,235.43</b>
	<b>8,320.42</b>			
<b><u>EQUITY AND LIABILITIES</u></b>				
<b><u>EQUITY</u></b>				
Equity Share Capital	594.57		-	594.57
Other Equity	1,790.73	51.22	47.80	1,691.72
Non-controlling interests	0.06		0.00	0.06
<b>Total Equity</b>	<b>2,385.36</b>	<b>-51.22</b>	<b>-47.80</b>	<b>2,286.35</b>
<b><u>LIABILITIES</u></b>				
<b><u>Non-Current Liabilities</u></b>				
<b><u>Financial Liabilities</u></b>				
Borrowings	825.76		13.99	839.74
Provisions	-	3.05		3.05
Deferred Tax Liabilities (Net)	30.32	9.23	-	21.09
<b>Total Non Current Liabilities</b>	<b>856.08</b>	<b>-6.18</b>	<b>13.99</b>	<b>863.88</b>
<b><u>Current Liabilities</u></b>				
<b><u>Financial liabilities</u></b>				
Borrowings	1,147.78		0.02	1,147.76
Trade Payables				
Total outstanding dues of micro and small enterprises	47.45		-	47.45
Total outstanding dues of creditors other than micro and small enterprises	1,775.53	25.10	-	1,800.64
Other Financial Liabilities	81.31			81.31
Other Current Liabilities	1,919.88		18.10	1,901.78
Provisions	-	1.13		1.13
Current Tax Liabilities (Net)	107.03		1.89	105.14
<b>Total Current Liabilities</b>	<b>5,078.99</b>	<b>26.23</b>	<b>-20.01</b>	<b>5,085.20</b>
<b>Total Liabilities</b>	<b>5,935.06</b>	<b>20.05</b>	<b>-6.03</b>	<b>5,949.08</b>
<b>Total Equity and Liabilities</b>	<b>8,320.42</b>	<b>-31.17</b>	<b>-53.82</b>	<b>8,235.43</b>

**I. B Reconciliation of Statement of Profit and Loss for the year ended 31.03.2022**

Particulars	Regrouped Previous Adjustments GAAP	Prior Period adjustments	Ind AS	Ind AS

Revenue from Operations	12,365.34	-	-	12,365.34
Other Income	46.38	-	-	46.38
<b>Total Income (I)</b>	<b>12,411.72</b>	<b>-</b>	<b>-</b>	<b>12,411.72</b>
<b>EXPENSES</b>				
Cost of Materials Consumed	9,749.09	-	-	9,749.09
Purchase of stock-in-trade	38.65	-	-	38.65
Changes in inventories of finished goods and work-in-progress	-628.07	-	-	628.07
Employee Benefits Expense	650.31	-	1.11	651.43
Finance Costs	251.55	-	32.87	284.42
Depreciation and Amortisation Expense	98.21	-	-	98.21
Other Expenses	1,793.46	5.35	36.91	1,761.90
<b>Total Expenses (II)</b>	<b>11,953.21</b>	<b>5.35</b>	<b>-2.92</b>	<b>#####</b>
Profit Before Tax (I-II)	<b>458.51</b>	<b>-5.35</b>	<b>2.92</b>	<b>456.09</b>
<b>Tax Expense</b>				
(1) Current Tax	129.24	-	-	129.24
(2) Deferred Tax	8.16 -	-	0.38	7.78
(3) Current taxes relating to earlier years	-	-	-	-
<b>Profit for the period</b>	<b>321.12</b>	<b>-5.35</b>	<b>3.31</b>	<b>319.08</b>
<b>Other Comprehensive Income (OCI)</b>				
Items that will not be reclassified to profit or loss				
- Gain/(Loss) on remeasurement of defined benefit plans	-	-	0.26	0.26
- Fair value of Investments at fair value through OCI	-	-	-	-
- Gain /(Loss) on Investments designated through OCI	-	-	-	-
- Income tax expense / (benefit) related to items that will not be reclassified to Profit and loss	-	-	0.08	0.08
Total Other comprehensive income (Net of Tax)	-	-	<b>0.18</b>	<b>0.18</b>
<b>Total Comprehensive Income for the Period</b>	<b>321.12</b>	<b>-5.35</b>	<b>3.49</b>	<b>319.26</b>

## II. A Reconciliation of Equity Particulars

Note

As at

	31.03.2022
<b>Total equity under local GAAP</b>	<b>2,385.36</b>
Prior Period Adjustments	-
	51.22
Other restatement adjustments	-
<b>Total equity under local GAAP (adjusted)</b>	<b>2,334.14</b>
<b>Adjustments impact: Gain/ (Loss)</b>	
Valuation at Amortized cost for financial Liabilities	A
	-
	47.80
<b>Total IND AS adjustment</b>	<b>-47.80</b>
<b>Total equity under Ind AS</b>	<b>2,286.35</b>

## II. B Reconciliation of Total Comprehensive Income

Particulars	Note	Year 2021-22
<b>Profit after tax under local GAAP</b>		<b>321.12</b>
Prior Period Adjustments		-
		5.35
Other restatement adjustments		-
<b>Profit after tax under local GAAP (adjusted)</b>		<b>315.77</b>
<b>Adjustments Gain/ (Loss)</b>		
Others	B	3.49
<b>Total Adjustments</b>		<b>3.49</b>
<b>Profit after tax as per Ind-AS</b>		<b>319.26</b>
Other comprehensive income (net of taxes)		-
<b>Total comprehensive income as per Ind AS</b>		<b>319.26</b>

III On account of transition to Ind AS, there is no material adjustment to the Statement of Cash Flows for the years ended 31st March 2022

## IV Notes to reconciliations:

### A Valuation at Amortized cost for financial Liabilities

The company has valued financial liabilities (Other than Investment in subsidiaries, associates and joint ventures which are accounted at cost ) at amortized cost, changes on the date of transition, is recognized in opening reserves and changes thereafter are recognized in statement of profit and loss for the subsequent periods.

### B Others

Other adjustments comprises of loan processing fees / transaction cost. Under Ind AS such expenditure are considered for calculating effective interest rate. The impact for the periods subsequent to the date of transition is reflected in the statement of profit and loss.

E The previous year I-GAAP figures have been reclassified/regrouped to make them comparable with Ind AS presentation.

**BALAJI PHOSPHATES LIMITED**

(Formerly known as Balaji Phosphates Private Limited)

**Annexure VII : Notes to the Restated Consolidated Summary Statements***(All amount in Rs. Lakhs unless otherwise stated)***39 Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary**

Name of the entity in the group	Net assets i.e., total assets minus total liabilities		Share in profit or Loss		Share in other comprehensive Income		Share in Total Comprehensive Income	
	% of consolidated net assets	Amount	% of consolidated profit or Loss	Amount	% of consolidated other comprehensive Income	Amount	% of consolidated other comprehensive Income	Amount
<b>For the year ended 31st August 2024</b>								
<b>Parent</b>								
- Balaji Phosphates Limited	96.07%	3,761	98.72%	409	-	0.01	98.72%	409.37
<b>Subsidiary</b>								
<b>Indian</b>								
- Jyoti Weighing Systems Private Limited	10.34%	404.75	1.27%	5.29	-	-	1.27%	5.29
Consolidation adjustments	-6.41%	-	0.00%	-			0.00%	-
		250.90		-				-
<b>Total</b>	<b>100.00%</b>	<b>3,914.90</b>	<b>100.00%</b>	<b>414.64</b>	<b>-</b>	<b>0.01</b>	<b>100.00%</b>	<b>414.65</b>
Non controlling Interest in subsidiary	<b>0.00%</b>	0.08	0.00%	0.00			0.00%	0.00
<b>Grand Total</b>	<b>100%</b>	<b>3,915</b>	<b>100%</b>	<b>415</b>	<b>-</b>	<b>0.01</b>	<b>100.00%</b>	<b>414.65</b>

**For the year ended 31st March 2024**

<b>Parent</b>								
- Balaji Phosphates Limited	95.76%	3,351.77	86.75%	524.01	-	0.30	86.75%	523.71
<b>Subsidiary</b>								
<b>Indian</b>								

- Jyoti Weighing Systems Private Limited	11.41%	399.38	13.25%	80.02	-	-	13.25%	80.02
Consolidation adjustments	-7.17%	-	-	-	-	-	0.00%	-
<b>Total</b>	<b>100.00%</b>	<b>3,500.24</b>	<b>100.00%</b>	<b>604.03</b>	<b>-</b>	<b>0.30</b>	<b>100.00%</b>	<b>603.73</b>
Non controlling Interest in subsidiary	0.00%	0.08	0.00%	0.02	-	-	0.00%	0.02
<b>Grand Total</b>	<b>100.00%</b>	<b>3,500.32</b>	<b>100.00%</b>	<b>604.05</b>	<b>-</b>	<b>0.30</b>	<b>100.00%</b>	<b>603.75</b>

#### For the year ended 31st March 2023

<b>Parent</b>								
- Balaji Phosphates Limited	97.63%	2,828.00	95.06%	578.69	-	1.96	95.06%	580.65
<b>Subsidiary</b>								
<b>Indian</b>								
- Jyoti Weighing Systems Pvt Ltd	11.03%	319.36	4.94%	30.06	-	-	4.94%	30.06
Consolidation adjustments	-8.66%	-	-	-	-	-	0.00%	-
<b>Total</b>	<b>100.00%</b>	<b>2,896.44</b>	<b>100.00%</b>	<b>608.76</b>	<b>-</b>	<b>1.96</b>	<b>100.00%</b>	<b>610.72</b>
Non controlling Interest in subsidiary	0.00%	0.06	0.00%	0.01	-	-	0.00%	0.01
<b>Grand Total</b>	<b>100.00%</b>	<b>2,896.51</b>	<b>100.00%</b>	<b>608.76</b>	<b>-</b>	<b>1.96</b>	<b>100.00%</b>	<b>610.72</b>

#### For the year ended 31st March 2022

<b>Parent</b>								
- Balaji Phosphates Limited	98.32%	2,247.92	88.20%	281.43	-	-	88.20%	281.43
<b>Subsidiary</b>								
<b>Indian</b>								
- Jyoti Weighing Systems Pvt Ltd	12.65%	289.30	12.02%	38.36	-	-	12.02%	38.36
Consolidation adjustments	-10.98%	-	-	-	-	-	-	-



<b>Total</b>	<b>100.00%</b>		<b>100.22%</b>					
		<b>2,286.28</b>		<b>319.79</b>		-		<b>319.79</b>
Non controlling Interest in subsidiary	0.00%		0.00%				0.00%	
		0.06		0.01	-	-		0.01
<b>Grand Total</b>	<b>100.00%</b>		<b>100.23%</b>				<b>100.23%</b>	
		<b>2,286.35</b>		<b>319.08</b>	-	-		<b>319.79</b>

**BALAJI PHOSPHATES  
LIMITED**

(Formerly known as Balaji  
Phosphates Private Limited)

**Annexure VII : Notes to the Restated Consolidated Summary Statements**

(All amount in Rs. Lakhs unless  
otherwise stated)

**Note 40 : Disclosure as per Section 186 (4) of the Companies Act, 2013**

There are no loans granted, guarantees given and investments made by the Company under Section 186 of the Companies Act, 2013 read with rules framed thereunder except as stated under note 6 to the financial statement.

**Note 41 : Key Financial Ratios**

Sr. No.	Particulars	Numerator	Denominator	Period ended 31.08.2024	FY 2023-24	% variance
1	Current Ratio	Current Assets	Current Liabilities	1.68	1.65	2.00%
2	Debt – Equity Ratio	Total Debt (Borrowings)	Total Equity	0.91	0.95	-4.26%
3	Debt Service Coverage Ratio (refer note a)	Profit after Tax + Finance Costs + Depreciation and Amortisation + Non Cash Items	Finance Costs + Repayment of Borrowings	2.17	1.59	36.59%
4	Return on Equity (ROE) (refer note b)	Profits after Tax	Average Total Equity	11.18%	18.89%	-40.78%
5	Inventory Turnover Ratio (refer note c)	Sales	Average Inventory	1.78	4.12	-56.70%
6	Trade receivables turnover ratio (refer note d)	Net Credit Sales	Average Trade receivables	1.40	4.96	-71.77%
7	Trade payables turnover ratio (refer note e)	Net Credit Purchases of Raw Material and Packing Material	Average Trade payables	2.95	6.66	-55.65%
8	Net capital turnover ratio (refer note f)	Revenue from Operations	Working Capital (Current Assets - Current Liabilities)	1.57	5.03	-68.72%
9	Net profit ratio (refer note g)	Profit after Tax	Revenue from Operations	7.77%	3.99%	94.92%
10	Return on capital employed (ROCE) (refer note h)	Profit before interest, exceptional items and tax	Capital Employed [Total Equity + Total Debt (Borrowings)]	9.15%	16.69%	-45.16%

11	Return on investment (ROI)	Income earned on Investments	Average investments	NA	NA	NA
----	----------------------------	------------------------------	---------------------	----	----	----

- a) Increase in profitability  
b) Increase in finance cost and employee benefit expenses in comparison to previous period.  
c) Decline in sales as the products manufactured are seasonal products.  
d) Increase in credit period with top customers.  
e) Decrease in purchases in proportion to previous period because of cyclic business model.  
f) Decline in sales as the products manufactured are seasonal products and also increase in capital expenditure.  
g) Decrease in total expense in proportion to revenue.  
h) Increase in current borrowings and finance cost .

Sr. No.	Particulars	Numerator	Denominator	FY 2023-24	FY 2022-23	% variance
1	Current Ratio	Current Assets	Current Liabilities	1.65	1.43	14.92%
2	Debt – Equity Ratio	Total Debt (Borrowings)	Total Equity	0.95	0.91	4.47%
3	Debt Service Coverage Ratio	Profit after Tax + Finance Costs + Depreciation and Amortisation + Non Cash Items	Finance Costs + Repayment of Borrowings	1.59	1.90	-16.24%
4	Return on Equity (ROE)	Profits after Tax	Average Total Equity	18.89%	23.49%	-19.61%
5	Inventory Turnover Ratio	Sales	Average Inventory	4.12	4.40	-6.31%
6	Trade receivables turnover ratio	Net Credit Sales	Average Trade receivables	4.96	4.75	4.51%
7	Trade payables turnover ratio	Net Credit Purchases of Raw Material and Packing Material	Average Trade payables	6.66	6.29	5.87%
8	Net capital turnover ratio	Revenue from Operations	Working Capital (Current Assets - Current Liabilities)	5.03	5.60	-10.03%
9	Net profit ratio	Profit after Tax	Revenue from Operations	3.99%	4.21%	-5.36%

10	Return on capital employed (ROCE)	Profit before interest, exceptional items and tax	Capital Employed [Total Equity + Total Debt (Borrowings)]	16.69%	19.77%	-15.59%
11	Return on investment (ROI)	Income earned on Investments	Average investments	NA	NA	NA

Sr. No.	Particulars	Numerator	Denominator	FY 2022-23	FY 2021-22	% variance
1	Current Ratio	Current Assets	Current Liabilities	1.43	1.38	4.19%
2	Debt – Equity Ratio	Total Debt (Borrowings)	Total Equity	0.91	0.87	4.51%
3	Debt Service Coverage Ratio (Note a below)	Profit after Tax + Finance Costs + Depreciation and Amortisation + Non Cash Items	Finance Costs + Repayment of Borrowings	1.90	0.98	92.88%
4	Return on Equity (ROE) (Note b below)	Profits after Tax	Average Total Equity	23.49%	15.00%	56.58%
5	Inventory Turnover Ratio	Sales	Average Inventory	4.40	5.43	-18.98%
6	Trade receivables turnover ratio (no. of days)	Net Credit Sales	Average Trade receivables	4.75	4.21	12.80%
7	Trade payables turnover ratio (no. of days) (Note c below)	Net Credit Purchases of Raw Material and Packing Material	Average Trade payables	6.29	4.30	46.19%
8	Net capital turnover ratio	Revenue from Operations	Working Capital (Current Assets - Current Liabilities)	5.60	6.45	-13.22%
9	Net profit ratio (Note d below)	Profit after Tax	Revenue from Operations	4.21%	2.58%	63.22%
10	Return on capital employed (ROCE)	Profit before interest, exceptional items and tax	Capital Employed [Total Equity + Total Debt (Borrowings)]	19.77%	17.33%	14.08%
11	Return on investment (ROI)	Income earned on Investments	Average investments	NA	NA	NA

Note :

- a Improvement in Profitability with reduction in borrowings.
- b Increase in Sales and Profitability.
- c Improvement in cash flow resulting in improvement in Payables management
- d Increase in sales of higher margin product portfolio.

**Note 42 : Relationship with Struck off Companies**

The Company does not have any transactions and balances with companies which are struck off.

**Note 43 : Additional Regulatory Information required by Schedule III to the Companies Act, 2013**

- i The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
  - ii The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority
  - iii The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
  - iv Utilisation of borrowed funds and share premium
- I The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - b. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- II The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

- b. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- v There is no income surrendered or disclosed as income during the year/period in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- vi The Company has not traded or invested in crypto currency or virtual currency during the year/period.  
The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.
- vii

**Note 44 : Events after the reporting period:**

There have been no events after the reporting date that require adjustment/disclosures in these financial statements.

As per our report of even date attached

For Bagaria & Co LLP  
Chartered Accountants  
ICAI Firm Registration No.  
113447W/W-100019

For Mishra Rajiv Kamal & Associates  
Chartered Accountants  
ICAI Firm Registration No.  
006752C

For and on behalf of Board of Directors of **BALAJI  
PHOSPHATES LIMITED**

Vinay Somani  
Partner  
Membership No. 143503  
Place : Mumbai  
Date: 20-02-2025

Akshay Kumar Sambaria  
Partner  
Membership No. 071628  
Place : Indore  
Date : 20-02-2025

Mohit Airen  
Director  
DIN: 00326470  
Place : Indore  
Date: 20-02-2025

Alok Gupta  
Director  
DIN: 00321894  
Place : Indore  
Date: 20-02-2025

Ravindra Kumar  
Chourishi  
Chief Financial Officer  
Place : Indore  
Date: 20-02-2025

Deepika Singh  
Company Secretary  
Place : Indore Date: 20-02-  
2025

**BALAJI PHOSPHATES LIMITED**  
**(Formerly known as Balaji Phosphates Private Limited)**

**Annexure VI : Statement of Restatement adjustment to Consolidated Financial Statements**

*(All amount in Rs. Lakhs unless otherwise stated)*

**Restatement adjustments on account of transition to Ind AS w.e.f 1st April 2021**

There is no difference between Restated Financial Information and Audited Special Purpose Ind AS Financial Statements of the Company. Reconciliations between the Restated Financial Information and Statutory Financial Statements of the Company are as set out in the following tables and notes.

**Part Reconciliations between the Restated Financial Information and**

**A Statutory Financial Statements of the Company**

**1. Reconciliation of Total Equity**

Particulars	As at 31.08.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Total Equity (as per audited financial statements)	3,914.98			
		3,500.32	2,961.69	2,385.36
Prior Period Adjustments	-	-	65.18	51.22
Adjustment on account of transition as per IND AS 101	-	-	-	47.80
Total equity as per Ind AS	<b>3,914.98</b>	<b>3,500.32</b>	<b>2,896.51</b>	<b>2,286.35</b>
Audit Qualifications	-	-	-	-
Other Restatement Adjustments	-	-	-	-
Total equity as per restated Ind AS summary statement of assets and liabilities	<b>3,914.98</b>	<b>3,500.32</b>	<b>2,896.51</b>	<b>2,286.35</b>

**Reconciliation between audited profit and restated profit**

Particulars	As at 31.08.2024	Year 2023-24	Year 2022-23	Year 2021-22
Profit for the year reported (as per audited financial statements)	414.66	603.82	624.13	321.12
Prior Period Adjustments	-	-	13.98	5.35
Adjustment on account of transition as per IND AS 101	-	-	-	3.49
Audit Qualifications	-	-	-	-
Other Restatement Adjustments	-	-	-	-
Total Comprehensive Income under Restated Statement of Profit or Loss	<b>414.66</b>	<b>603.82</b>	<b>610.15</b>	<b>319.26</b>

**Part Material re-grouping**

**B**

Appropriate re-groupings have been made in the Restated Consolidated Summary Statement of assets and liabilities, Restated Consolidated Summary Statement of profit and loss and Restated Consolidated Summary Statement of cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Ind AS financial information of the Company for the period ended 31 August 2024 respectively prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

## **Part Non - Adjusting Events**

**C**

Auditor's report on the Special Purpose Consolidated Financial Statements for the period ended August 31, 2024, Auditor's report on the Consolidated Financial Statements for the year ended March 31, 2024, auditor's report on the Audited Special Purpose Consolidated Financial Statements for the year ended March 31, 2023 and March 31, 2022, includes emphasis of matter, and Other matters as follows:

### **As at August 31, 2024**

#### **Clause vii(b) of CARO 2020 Order**

According to the information and explanation given and records made available, the company has no outstanding statutory dues which have not been deposited as on August 31, 2024 on account of disputes, except listed below:

<b>Nature of the Statute</b>	<b>Nature of the Dues</b>	<b>Amount</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Goods & Service Tax	Input Reversal	4,50,900	FY 2020-21	GST Authorities
Goods & Service Tax	Input Reversal	10,25,460	FY 2021-22	GST Authorities
Goods & Service Tax	Input Reversal	1,80,000	FY 2019-20	GST Authorities
Goods & Service Tax	Interest & Penalty	9,90,886	-	GST Authorities

### **As at and for the year ended March 31, 2024**

#### **Other matters:**

Opening balances has been taken on the basis of the financial statements for the year ended 31st March, 2023 audited by MPV, who have issued an unmodified report dated September 30, 2023.

#### **Clause vii(b) of CARO 2020 Order**

<b>Nature of the Statute</b>	<b>Nature of the Dues</b>	<b>Amount</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Income Tax Act, 1961	Income Tax	95,753	AY 2017-18	CPC, Bengaluru
Goods & Service Tax	Input Reversal	4,50,900	FY 2020-21	GST Authorities
Goods & Service Tax	Input Reversal	10,25,460	FY 2021-22	GST Authorities
Goods & Service Tax	Input Reversal	1,80,000	FY 2019-20	GST Authorities
Goods & Service Tax	Interest & Penalty	9,90,886	-	GST Authorities

### **As at and for the year ended March 31, 2023**



**Clause vii(b) of CARO 2020****Order**

According to the information and explanation given and records made available, the company has no outstanding statutory dues which have not been deposited as on March 31, 2023 on account of disputes, except listed below:

Nature of the Statute	Nature of the Dues	Amount	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	100950	AY 2017-18	CPC, Bengaluru
Income Tax Act, 1961	Income Tax	10602820**	AY 2018-19	CPC, Bengaluru
Income Tax Act, 1961	TDS Default	265467	Various Financial Years	TDS Traces

\*\*The Dues had been paid and applied for rectification

**Emphasis of matter – Basis of preparation and restriction of use**

1. We draw attention to Note 1.1 to the Special Purpose Consolidated financial statements, which describes the basis of preparation of these Special Purpose Consolidated financial statements which states that these Special Purpose Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS). Accordingly, the Special Purpose Ind AS financial statements may not be suitable for any other purpose and this report should not be used, referred to or distributed for any other purpose. We have no responsibility to update this report for events and circumstances occurring after the date of this report. Our opinion is not modified in respect of this matter.”

2. The Special purpose Ind AS financial statements for the year ended March 31, 2023 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP or Previous GAAP (Indian GAAP or Previous GAAP means accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014) values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (April 1, 2021) and as per the presentation, accounting policies and grouping/classifications followed as at and for the year ended March 31, 2024. We shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. This report may be submitted to any regulatory authority, and may be relied upon by other parties, in connection with the IPO. Our opinion is not modified in respect of this matter.

**Other Matters:**

The Company has prepared a separate set of Statutory Financial Statements for the year ended March 31, 2023 (“Ind As Consolidated Financial Statements”) in accordance with the Ind AS prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India which were audited by M/s M P V & Company (“the Continuing Joint Statutory Auditors”) who issued an unmodified auditor’s report dated September 02, 2023. Our opinion is not modified in respect of the above matter.

**As at and for the year ended March 31, 2022****Emphasis of matter – Basis of preparation and restriction of use**

1. We draw attention to Note 1.1 to the Special Purpose Consolidated financial statements, which describes the basis of preparation of these Special Purpose Consolidated financial statements which states that these Special Purpose Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS). Accordingly, the Special Purpose Ind AS financial statements may not be suitable for any other purpose and this report should not be used, referred to or distributed for any other purpose. We have no responsibility to update this report for events and circumstances occurring after the date of this report. Our opinion is not modified in respect of this matter.”

2. The Special purpose Ind AS financial statements for the year ended March 31, 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP or Previous GAAP (Indian GAAP or Previous GAAP means accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014) values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (April 1, 2021) and as per the presentation, accounting policies and grouping/classifications followed as at and for the year ended March 31, 2024. We shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. This report may be submitted to any regulatory authority, and may be relied upon by other parties, in connection with the IPO. Our opinion is not modified in respect of this matter.

**Other  
Matters:**

The Company has prepared a separate set of Statutory Financial Statements for the year ended March 31, 2022 (“Indian GAAP Financial Statements”) in accordance with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India which were audited by us vide our Auditor’s report dated September 20, 2022. Our opinion is not modified in respect of the above matter.

## OTHER FINANCIAL INFORMATION

### Accounting ratios

The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below

(Rs. in lakhs unless specified)

Particulars	For the Period Ended August 31, 2024	For the Financial Year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Share Capital	1,783.71	1,783.71	891.86	594.57
Net worth <sup>(1)</sup>	3,914.98	3,500.32	2,896.51	2,286.35
Revenue from Operations <sup>(2)</sup>	5,337.06	15,154.63	14,454.24	12,365.34
Profit after Tax	414.65	604.05	608.76	319.08
Earnings per share (Basic & diluted) <sup>(3)</sup>				
• Basic (₹)*	2.32	3.39	3.42	1.79
• Diluted (₹)*	2.32	3.39	3.42	1.79
Net Asset Value per Equity Share (Basic & diluted) (₹) <sup>(4)</sup>	21.95	19.62	32.48	38.45
Total borrowing <sup>(5)</sup>	3557.54	3,322.10	2,631.50	1,987.50

(1) Net Worth amounts are calculated as Total Equity as per Restated Consolidated Financial Statements.

(2) Revenue from Operations means the revenue from operations as appearing in the Restated Consolidated Financial Statements

(3) Earnings per Equity Share (Basic and Diluted) = Restated Consolidated profit for the year attributable to the equity holders of our Company/Weighted average number of equity shares outstanding during the year. The weighted average number of Equity Shares outstanding during the year is adjusted for bonus issue.

(4) Net Asset Value per Equity Share = Net worth as per the Restated Consolidated Financial Statements/ number of Equity Shares outstanding as at the end of the year/period. The weighted average number of Equity Shares outstanding during the year is adjusted for bonus issue.

(5) Total borrowings are computed as current borrowings plus non-current borrowings.

For further details, see “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on page 270.

## CAPITALISATION STATEMENT

The following capitalization as of August 31, 2024, on the basis of our Restated Financial Statements:

(₹ in Lakh)

Particulars	Pre-Issue (As of August 31, 2024)	Post Issue
<b>Total Borrowings</b>	<b>3,557.54</b>	<b>3,557.54</b>
Current Borrowings	2,924.80	2,924.80
Non-current borrowings (including current maturity)	632.74	632.74
<b>Total Equity</b>		
Equity Share Capital	1,783.71	2,377.71
Other Equity	2,131.19	5,695.19
Non-controlling Interest	0.08	0.08
<b>Total Capital</b>	<b>3,914.98</b>	<b>8,072.98</b>
<b>Ratio : Non Current Borrowing / Total Equity</b>	<b>0.16</b>	<b>0.08</b>
<b>Ratio: Total Borrowing / Total Equity</b>	<b>0.91</b>	<b>0.44</b>
<b>Notes:</b> The amount disclosed above are derived from the restated financials of our Company		

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

### OVERVIEW

*The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the years ended March 31, 2024, 2023, and 2022. The restated financial statements have been derived from audited financial statements and restated in accordance with SEBI (ICDR) Regulations and Guidance Notes issued by ICAI in this respect, including the schedules, annexure and notes thereto and the reports thereon, included in "Financial Information" beginning on page 185 of this Prospectus*

*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 because of certain factors such as those set forth in "Risk Factors" and "Forward-Looking Statements" beginning on pages 25 and 17 respectively, of this Prospectus*

*Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.*

### BUSINESS OVERVIEW

Balaji Phosphates Limited, initially Balaji Phosphates Pvt. Ltd., was incorporated on April 4, 1996, under the Companies Act, 1956. It transitioned to a public limited company on September 18, 2023 and was renamed Balaji Phosphates Limited. Operating from Dewas, Madhya Pradesh, its core focus is on manufacturing phosphate fertilizers including Single Super Phosphate (SSP), Zinc sulfate, and NPK Granulated & Mixed fertilizers. Notably, SSP contributes significantly to its revenue. The manufacturing unit spans approximately 12,600 sq.ft. with the registered office in Indore, Madhya Pradesh.

Under our brand name "RATNAM" and logo "BPPL," the company offers a diverse range of Phosphate fertilizer products. This range encompasses S.S.P. in both Powder and Granular forms, N.P.K Mix fertilizers, Zinc Sulphate, Zincated S.S.P. (Powder & Granular), Boronated S.S.P. (Powder & Granular), and Fortified S.S.P. (Granular) enriched with Zinc and Boron. These good-quality products are made available to consumers in Madhya Pradesh, Chhattisgarh, Maharashtra, Andhra Pradesh and Telangana.

Our company is well equipped with in-house testing laboratory to test the product. Before commencement of the manufacturing process, the raw material purchased by our company have to undergo a quality check before it is packed in HDPE bags. Our in-house testing laboratory regulates and monitors the quality of fertilizers mixer, packaging and making on the fertilizer bags. Our laboratory equipped with various instrument like, electronic analytical balance, ph meter, sieve shaker, muffle furnace, and water distillation plant, magnetic stirrer etc. The raw material and finished goods are also subjected to various physical and chemical tests so that they meet the required specifications.

### SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED PERIOD:

In the opinion of the Board of Directors of our Company, since the date of the last audited period i.e., March 31, 2024, as disclosed in this Prospectus, there are no circumstances that materially or adversely affect or are likely to affect the trading or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

#### **1.The Board of the Company at the Meeting of Board of Directors held on April 05. 2024, subject to the approval of the shareholders, approved the following:**

- a) To Enhance Borrowing Power upto sum of Rs. 100 Crores (Rupees Hundred Crores only)
- b) Creation of Charge on Company's Properties.
- c) To give authority pursuant to section 186 of the companies act 2013, for an amount not exceeding Rs.250,00,00,000 (Rupees Two Hundred Fifty Crores Only) outstanding at any time notwithstanding that such investments, outstanding

loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013

d) Approval Of Loans, Investments, Guarantee or Security Under Section 185 Of Companies Act, 2013 of an aggregate outstanding amount not exceeding Rs. 250,00,00,000 (Rupees Two Hundred Fifty Crores Only) at any point of time.

**2. The Members of the Company at the Extraordinary General Meeting held on April 12, 2024 passed the following resolutions;**

a) Special Resolution for enhance borrowing power upto sum of Rs. 100 Crores (Rupees One Hundred Crores only)

b) Special Resolution for Creation of Charge on Company's Properties.

c) Special Resolution to give authority pursuant to section 186 of the companies act 2013, for an amount not exceeding Rs.250,00,00,000 (Rupees Two Hundred Fifty Crores Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013

d) Special Resolution for approval Of Loans, Investments, Guarantee or Security Under Section 185 Of Companies Act, 2013 of an aggregate outstanding amount not exceeding Rs. 250,00,00,000 (Rupees Two Hundred Fifty Crores Only) at any point of time.

**3. The Board of the Company at the Meeting of Board of Directors held on July 02, 2024, subject to the approval of the shareholders, approved the following;**

a) Accept the resignation of Mr. Amod Jha (Din-10531101)

b) Appointment of Ms. Sweena Gangwani (Din: 08852555) as independent director of the company, w.e.f August 01,2024 for the period of 5 years.

c) In suppression of the resolution passed on March 2, 2024, resolution for raising of funds through Initial Public Offering.

d) Due to change in composition of Board of Director, there is reconstitution of Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration committee and Corporate Social Responsibility.

**4. The Members of the Company at the Extraordinary General Meeting held on August 01, 2024 passed the following resolutions;**

a) Special Resolution for appointment of Ms. Sweena Gangwani (Din: 08852555) as independent director of the company for the period of 5 years.

b) Special resolution for raising of funds through Initial Public Offering, in suppression of the earlier resolution passed on 08th March 2024

**5.The Board of the Company at the Meeting of Board of Directors held on August 01, 2024, approved the following;**

a) Due to change in composition of Board of Director, there is reconstitution of Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration committee and Corporate Social Responsibility.

**6. The Board of the Company at the Meeting of Board of Directors held on September 05, 2024, approved the following;**

a) To approve the Director Report for the Financial Year ended March 31, 2024

- b) To approve the draft financial statement of the Company for the Financial Year ended March 31, 2024
- c) To approve the appointment of M/s. Mishra Rajiv Kamal & Associates (Frn: 006752c) Chartered Accountant as Statutory Auditor of the Company.

**7. The Members of the Company at the Annual General Meeting held on September 30, 2024, approved the following;**

- a) To Consider, Approve And Adopt Standalone Annual Accounts, Director Report and Auditor Report For The Financial Year Ended on 31st March, 2024
- b) To Consider, Approve and Adopt Consolidated Annual Accounts, and Auditor Report For The Financial Year Ended on 31st March, 2024
- c) To Appoint M/s. Mishra Rajiv Kamal & Associates (Frn: 006752c) Chartered Accountant as Statutory Auditors of The Company
- d) To Appoint M/s Bagaria & co. LLP, (ICAI Firm Registration Number: 113447W) as Joint Statutory Auditor of the Company Joint Statutory Auditors of The Company:

**8. The Board of the Company at the Meeting of Board of Directors held on 31st January 2025, approved the following;**

- a) Change of RTA (REGISTRARS AND SHARE TRANSFER AGENT) RTA from Ankit Consultancy Private Limited to Skyline Financial Services Private Limited.

**FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

1. General economic and business conditions in the markets in which we operate and in the local, regional, national, and international economies;
2. Failure to successfully upgrade our product portfolio, from time to time;
3. Any change in government policies resulting in increases in taxes payable by us;
4. Our ability to retain our key management's persons and other employees;
5. Changes in laws and regulations that apply to the industries in which we operate.
6. Our failure to keep pace with rapid changes in technology;
7. Our ability to grow our business;
8. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
9. General economic, political, and other risks that are out of our control;
10. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
11. Company's ability to successfully implement its growth strategy and expansion plans;
12. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
13. Inability to successfully obtain registrations in a timely manner or at all;
14. Occurrence of Environmental Problems & Uninsured Losses;
15. Conflicts of interest with affiliated companies, the promoter group, group Companies and other related parties;
16. Any adverse outcome in the legal proceedings in which we are involved; and

17. Concentration of ownership among our Promoters.
18. The performance of the financial markets in India and globally.

#### **SIGNIFICANT ACCOUNTING POLICIES:**

For Significant accounting policies please refer “Significant Accounting Policies to the Restated Financial Statements”, under Section titled “Financial Information” beginning on page 185 of the Prospectus.

#### **SUMMARY OF THE RESULTS OF OPERATION:**

The following table sets forth select financial data from Consolidated restated profit and loss accounts for the period ended August 31, 2024 and financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022 and the components of which are also expressed as a percentage of total income for such periods.

The Company manufactured higher quantity of finished products in FY 23 of 73,215 MT as compared to 68,656 MT in FY 22. The average sales price per ton increased from ₹6,177 in FY 21-22 to ₹8,397 in FY 22-23, thus increasing the revenue and affecting the PAT positively. The quantity produced of 72,659 MT in FY 24 remained similar to 73,215 MT of quantity produced in FY 23. The marginal increase in turnover in FY 2024 is on account of higher realisation and slight change in the elements of other cost which resulted in marginal reduction in PAT margin.

As such the primary reason for variation in sales and profit is driven by quantity produced coupled with variation in sale price and increased operational efficiency due to production of higher quantity. Besides, the variation in different elements of cost also had a bearing on the profitability



(₹ in Lakh)

Particulars	For the period ended August 31, 2024	% of Total income	March 31 ,2024	% of Total income	March 31 ,2023	% of Total income	March 31 , 2022	% of Total income
Revenue from Operations	5,337.06	97.31%	15,154.63	99.91%	14,454.24	99.93%	12,365.34	99.63%
Other Income	147.60	2.69%	13.39	0.09%	9.89	0.07%	46.38	0.37%
<b>Total Income (I)</b>	<b>5,484.66</b>	<b>100.00%</b>	<b>15,168.02</b>	<b>100.00%</b>	<b>14,464.12</b>	<b>100.00%</b>	<b>12,411.72</b>	<b>100.00%</b>
EXPENSES								
Cost of Materials Consumed	2,872.55	52.76%	10,770.14	71.01%	11,054.10	76.42%	9,749.09	78.55%
Purchase of Traded Goods	-	0.00%	106.34	0.70%	-	0.00%	38.65	0.31%
Changes in inventories of finished goods and work-in-progress	647.66	11.81%	-18.56	-0.12%	-936.5	-6.47%	-628.07	-5.06%
Employee Benefits Expense	335.08	6.11%	776.09	5.12%	715.9	4.95%	651.43	5.25%
Finance Costs	141.57	2.58%	301.78	1.99%	265.12	1.83%	284.42	2.29%
Depreciation and Amortization Expense	36.42	0.66%	84.73	0.56%	84.41	0.58%	98.21	0.79%
Other Expenses	909.22	16.58%	2,310.91	15.24%	2,453.53	16.96%	1,761.90	14.20%
<b>Total Expenses (II)</b>	<b>4,942.49</b>	<b>90.11%</b>	<b>14,331.43</b>	<b>94.48%</b>	<b>13,636.56</b>	<b>94.28%</b>	<b>11,955.43</b>	<b>96.32%</b>
Profit Before Exceptional and Extraordinary items and Tax (III = I-II)	<b>542.17</b>	<b>9.89%</b>	836.59	5.52%	827.56	5.72%	456.09	3.67%
Extraordinary items (IV)	-	-	-	0.00%	-	0.00%	-	0.00%
<b>Profit Before Tax (III+IV)</b>	<b>542.17</b>	<b>9.89%</b>	<b>836.59</b>	<b>5.52%</b>	<b>827.56</b>	<b>5.72%</b>	<b>456.09</b>	<b>3.67%</b>
Tax Expense								
(1) Current Tax	132.77	2.42%	237.74	1.57%	222.43	1.54%	129.24	1.04%
(2) Deferred Tax	-5.25	-0.10%	-5.19	-0.03%	-3.63	-0.03%	7.78	0.06%
(3) Current taxes relating to earlier years	-	-	-		-	0.00%	-	0.00%
<b>Profit for the period/year</b>	<b>414.65</b>	<b>7.56%</b>	<b>604.05</b>	<b>3.98%</b>	<b>608.76</b>	<b>4.21%</b>	<b>319.08</b>	<b>2.57%</b>
Attributable to		-						
Owners of the parent	414.64	7.56%	604.03	3.98%	608.76	4.21%	319.07	2.57%
Non-controlling interests	-		0.02	0.00%	0.01	0.00%	0.01	0.00%

**Revenue from operations:**

Revenue from operations mainly consists of revenue from sale of Products & Sale of Service , reduced by discounts

**Other Income:**

Other income primarily comprises of Interest Income from financial assets at amortised cost, Other non-operating Income & Other Gains & Losses.

**Total Expenses:**

Total expenses consist of operating cost like Cost of Material consumed, Purchase of traded goods Change in inventories of finished goods and work in progress, Employee benefits expense, Finance costs, Depreciation and amortization expenses and other expenses.

**Cost of Material consumed:**

Cost of Material consumed expenses primarily comprises of Purchase of raw material, and change in stock of raw material.

**Change in inventories of finished goods and work in progress:**

Change in inventories of finished goods and work in progress comprises of increase/ (decrease) in stock of finished goods.

**Employee benefits expense:**

Employee benefits expense primarily comprises of Salaries, wages & benefits, Staff welfare expenses, Contribution to provident & other funds & Staff Welfare Expenses

**Finance Costs:**

Our finance cost includes Interest towards : Working Capital Borrowings, Term Loan From Banks Other Interest & Other Borrowing cost.

**Depreciation and Amortization Expenses:**

Depreciation includes depreciation on assets

**Other Expenses:**

Other Expenses consists of audit fees, Power & Fuel, Processing Charges, Freight & Handling Charges, Rates Fees & Taxes, and other administrative expenses.

**REVIEW OF OPERATIONS FOR THE PERIOD ENDED AUGUST 31, 2024****Revenue from Operations**

Revenue from Operations for the period ended August 31, 2024 was ₹ 5,337.06 Lakhs, which is 97.31% of the total revenue, which includes ₹ 5,236.33 Lakhs from sale of products and ₹ 100.73 Lakhs from sale of services.

**Other Income**

Other income for the period ended August 31, 2024 contributed ₹ 147.60 Lakhs which represented 2.69% of the total revenue.

**Total Income**

Total Income amounted to 5,484.66 Lakhs for the period ended August 31, 2024.

**Cost of Materials Consumed**

The Cost of Materials Consumed, which includes the purchase of raw materials and changes in stock for the period ended August 31, 2024 was ₹ 2,872.55 Lakhs which was about 52.76% of the total income. This cost was primarily driven by the purchase of raw materials required for operations.

#### **Purchase of Stock in Trade**

Their was no Purchase of stock in Trade for the period ended August 31, 2024 reflecting no procurement of items for resale.

#### **Changes in Inventories**

The Changes in Inventories of finished goods and work-in-progress for the period ended August 31, 2024 amounted to ₹ 647.66 Lakhs which was about 11.81 % of the total income.

#### **Employee Benefits Expenses**

The Employee Benefits Expenses for the period ended August 31, 2024 stood at ₹ 335.08 Lakhs accounting for 6.11 % of the total income. These expenses primarily comprised salaries, wages, bonuses, and contributions to employee funds.

#### **Finance Costs**

The Finance costs for the period ended August 31, 2024 were ₹ 141.57 Lakhs which represented 2.58 % of the total income. These costs primarily included interest on term loans and working capital borrowings.

#### **Depreciation and Amortisation Expense**

The Depreciation and amortization Expenses for the period ended August 31, 2024 were ₹ 36.42 Lakhs which was about 0.66% of the total income, reflecting the allocation of the cost of assets over their useful lives.

#### **Other Expenses**

The Other Expenses for the period ended August, 2024 amounted to ₹ 909.22 Lakhs representing 16.58% of the total income. This includes costs such as as freight, power and fuel, processing charges, travel, repairs, and other administrative expenses.

#### **Total Expenses**

Total expenses amounted to ₹ 4,942.49 lakhs for the period ended August 31, 2024, representing 90.11% of total income.

#### **EBITDA**

Our EBITDA for the period ended August 31, 2024 were ₹ 572.28 Lakhs which was about 10.73% of the total revenue.

#### **Profit Before Tax**

For the year ended August 31, 2024, profit before tax was ₹ 542.17 lakhs, representing 9.89% of total income.

#### **Tax Expenses**

##### **1. Current Tax**

The current tax expense for the year stood at ₹ 132.77 lakhs, representing 2.42% of total income.

<b><u>2.</u></b>	<b><u>Deferred</u></b>	<b><u>Tax</u></b>
Deferred tax resulted in a credit of ₹-5.25 lakhs, or -0.10% of total income, due to timing differences in tax computations.		

#### **Profit after Tax**

As a result of the factors mentioned above, profit after tax for the period ended August 31, 2024, was ₹ 414.65.12 lakhs, accounting for 7.56% of total income.

## **RESULTS OF OPERATIONS INFORMATION FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024 COMPARED WITH FINANCIAL YEAR ENDED MARCH 31, 2023**

### **Total Income**

Our total income has increased by 4.87% to ₹15,168.02 Lakhs in Financial Year ended March 31, 2024, from ₹14,464.12 Lakhs in Financial Year ended March 31, 2023, primarily due to an increase in revenue from operations.

### **Revenue From Operations**

Our revenue from operations increased by 4.85% to ₹15,154.63 Lakhs in the Financial Year ended March 31, 2024, from ₹14,454.24 Lakhs in Financial Year ended March 31, 2023. This growth can be attributed to an increase in sales volume.

### **Other Income**

Our other income increased by 35.39% to ₹13.39 Lakhs in Financial Year ended March 31, 2024, from ₹9.89 Lakhs in Financial Year ended March 31, 2023. This increase is due to higher Interest Income & liabilities being written back.

### **Total Expenses**

Our total expenses have increased by 5.10% to ₹14,331.43 Lakhs in Financial Year ended March 31, 2024, from ₹13,636.56 Lakhs in Financial Year ended March 31, 2023. This increase was primarily due to the rise in employee benefits expense and finance costs & reduction in Change in Inventories of Finished Goods and Work-in-Progress.

### **Cost of Materials Consumed**

Cost of materials consumed has decreased by 2.57% to ₹10,770.14 Lakhs in Financial Year ended March 31, 2024, from ₹11,054.10 Lakhs in Financial Year ended March 31, 2023. This is due to the inventory built up created in FY 23.

### **Purchase of Traded Goods**

The purchase of traded goods was ₹106.34 Lakhs in Financial Year ended March 31, 2024, as compared to ₹0 in Financial Year ended March 31, 2023.

### **Change in Inventories of Finished Goods and Work-in-Progress**

The change in inventories of finished goods was at ₹(18.56) Lakhs as of March 31, 2024, compared to ₹(936.50) Lakhs as of March 31, 2023, a significant decrease of 98.02%, primarily due to higher Finished Goods & Work in Progress held by the company in FY 23.

### **Employee Benefits Expense**

Employee benefits expense increased by 8.41% from ₹715.90 Lakhs in Financial Year ended March 31, 2023, to ₹776.09 Lakhs in Financial Year ended March 31, 2024. This increase is primarily attributable to salary increments.

### **Finance Costs**

Finance costs increased by 13.83% to ₹301.78 Lakhs in Financial Year ended March 31, 2024, from ₹265.12 Lakhs in Financial Year ended March 31, 2023.

### **Depreciation and Amortization Expenses**

Depreciation and amortization expense increased slightly by 0.38% to ₹84.73 Lakhs in Financial Year ended March 31, 2024, from ₹84.41 Lakhs in Financial Year ended March 31, 2023.

### **Other Expenses**

Other expenses decreased by 5.81% to ₹2,310.91 Lakhs in Financial Year ended March 31, 2024, from ₹2,453.53 Lakhs in Financial Year ended March 31, 2023. This reduction is majorly due to reduction in Power & Fuel Costs.

**Profit Before Tax**

Profit before tax has increased by 1.09% to ₹836.59 Lakhs in Financial Year ended March 31, 2024, from ₹827.56 Lakhs in Financial Year ended March 31, 2023.

**Tax Expenses**

Due to an increase in our profit before tax, our current tax expense increased by 6.88% from ₹222.43 Lakhs in Financial Year ended March 31, 2023, to ₹237.74 Lakhs in Financial Year ended March 31, 2024. The deferred tax expense was ₹(5.19) Lakhs in Financial Year ended March 31, 2024, as compared to ₹(3.63) Lakhs in Financial Year ended March 31, 2023.

**Profit After Tax**

For the reasons discussed above, we recorded a minor reduction of 0.77% in profit after tax from ₹608.76 Lakhs in Financial Year ended March 31, 2023., to ₹604.05 Lakhs in Financial Year ended March 31, 2024.

**RESULTS OF OPERATIONS INFORMATION FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023  
COMPARED WITH FINANCIAL YEAR ENDED MARCH 31, 2022****Total Income**

Our total income has increased by 16.54% to ₹14,464.12 Lakhs in Financial Year ended March 31, 2023, from ₹12,411.72 Lakhs in Financial Year ended March 31, 2022, primarily due to an increase in revenue from operations.

**Revenue From Operations**

Our revenue from operations increased significantly by 16.89% to ₹14,454.24 Lakhs in the Financial Year ended March 31, 2023, from ₹12,365.34 Lakhs in Financial Year ended March 31, 2022. This surge in revenue can be predominantly attributed to an increase in sales volume.

**Other Income**

Our other income decreased by 78.68% to ₹9.89 Lakhs in Financial Year ended March 31, 2023, from ₹46.38 Lakhs in Financial Year ended March 31, 2022. This significant difference is mainly due to the receipt of a VAT refund in FY 2022.

**Total Expenses**

Our total expenses increased by 14.06% to ₹13,636.56 Lakhs in Financial Year ended March 31, 2023, from ₹11,955.43 Lakhs in Financial Year ended March 31, 2022. This increase was principally due to higher costs of material consumed & Other Expenses.

**Cost of Materials Consumed**

Cost of materials consumed increased by 13.39% to ₹11,054.10 Lakhs in Financial Year ended March 31, 2023, from ₹9,749.09 Lakhs in Financial Year ended March 31, 2022. This increase was majorly due to higher raw material purchases.

**Purchase of Traded Goods**

There were no purchases of traded goods in Financial Year ended March 31, 2023, compared to ₹38.65 Lakhs in Financial Year ended March 31, 2022.

**Change in Inventories of Finished Goods and Work-in-Progress**

The change in inventories of finished goods was at ₹(936.50) Lakhs as of March 31, 2023, compared to ₹(628.07) Lakhs as of March 31, 2022, an increase of 49.11%, primarily due to inventory accumulation.

**Employee Benefits Expense**

Employee benefits expense increased by 9.90% from ₹651.43 Lakhs in Financial Year ended March 31, 2022, to ₹715.90 Lakhs in Financial Year ended March 31, 2023. This increase was attributable to salary increments.

**Finance Costs**

Finance costs decreased by 6.79% to ₹265.12 Lakhs in Financial Year ended March 31, 2023, from ₹284.42 Lakhs in Financial Year ended March 31, 2022.

**Depreciation and Amortization Expenses**

Depreciation and amortization expenses decreased by 14.05% to ₹84.41 Lakhs in Financial Year ended March 31, 2023, from ₹98.21 Lakhs in Financial Year ended March 31, 2022.

**Other Expenses**

Other expenses increased by 39.25% to ₹2,453.53 Lakhs in Financial Year ended March 31, 2023, from ₹1,761.90 Lakhs in Financial Year ended March 31, 2022. This increase was primarily due to higher power & fuel expenditure and higher operational costs.

**Profit Before Tax**

Profit before tax increased by 81.45% to ₹827.56 Lakhs in Financial Year ended March 31, 2023, from ₹456.09 Lakhs in Financial Year ended March 31, 2022.

**Tax Expenses**

Our current tax expense increased by 72.11% from ₹129.24 Lakhs in Financial Year ended March 31, 2022, to ₹222.43 Lakhs in Financial Year ended March 31, 2023. The deferred tax expense was ₹(3.63) Lakhs in Financial Year ended March 31, 2023, as compared to ₹7.78 Lakhs in Financial Year ended March 31, 2022.

**Profit After Tax**

For the reasons discussed above, we recorded an increase of 90.79% in profit after tax from ₹319.08 Lakhs in Financial Year ended March 31, 2022, to ₹608.76 Lakhs in Financial Year ended March 31, 2023.

## CASH FLOWS

The table below summaries our cash flows from our Restated Consolidated Financial Information for the year ended March, 2024 and for the financial years ended March 31, 2024 ,2023 and 2022

Particulars	Period ended 31.08.2024	March 31 2024	March 31 2023	March 31 2022
Net cash generated from operating activities	-41.76	-348.11	-362.69	339.24
Net Cash used in investing activities	-43.95	-87.46	-10.93	-37.89
Net Cash used in financing activities	93.87	388.83	-378.87	-269.15
Net (Decrease)/ Increase in cash and cash equivalent	8.16	-46.74	5.25	32.20
Cash and Cash equivalent at the beginning of the period/year	222.40	269.14	263.89	231.69
Cash And cash equivalent at the end of the period/year	230.56	222.40	269.14	263.89

## CASH FLOW FROM OPERATING ACTIVITIES

### For the Period Ended August 31, 2024

Net cash flow generated from our operating activities was ₹(41.76) lakhs for the period ended August 31, 2024. Our operating cash flow before working capital changes was ₹ 734.95 lakhs in the period ended August 31, 2024, which was the result of the profit before tax for the period of ₹ 542.17 lakhs adjusted primarily for depreciation and amortization expenses of ₹ 36.42 lakhs, provision for expected credit losses of ₹ 14.20 lakhs, and interest expenses of ₹ 141.57 lakhs. The working capital adjustments included an decrease in other financial assets of ₹ 463.80 lakhs, an increase in trade receivables of ₹ 1,420.34 lakhs, a increase in other current assets of ₹ 73.39 lakhs, a decrease in other non-current assets of ₹ 37.80 lakhs, a decrease in inventories of ₹ 313.93 lakhs, a decrease in trade payables of ₹ 108.25 lakhs, an decrease in other financial liabilities of ₹12.69 lakhs, a decrease in other current liabilities of ₹16.34 lakhs, and an increase in provisions of ₹ -174.72 lakhs. The company paid net Taxes of ₹ -3.01 lakhs for the period ended August 31, 2024.

### For the Financial Year ended March 31, 2024

Net cash flow generated from our operating activities was ₹(348.11) lakhs for the financial year ended March 31, 2024. Our operating cash flow before working capital changes was ₹1,227.73 lakhs in the financial year ended March 31, 2024, which was the result of the profit before tax for the period of ₹836.59 lakhs adjusted primarily for depreciation and amortization expenses of ₹84.73 lakhs, provision for expected credit losses of ₹1.07 lakhs, net unrealised foreign exchange loss of ₹2.72 lakhs, and interest expenses of ₹301.78 lakhs. The working capital adjustments included an increase in other financial assets of ₹643.79 lakhs, an increase in trade receivables of ₹106.72 lakhs, a decrease in other current assets of ₹518.66 lakhs, a decrease in other non-current assets of ₹37.80 lakhs, a decrease in inventories of ₹1,058.96 lakhs, a decrease in trade payables of ₹969.44 lakhs, an increase in other financial liabilities of ₹32.58 lakhs, a decrease in other current liabilities of ₹1,354.69 lakhs, and an increase in provisions of ₹161.59 lakhs. The company paid net Taxes of ₹235.19 lakhs in FY 24

### For the Financial Year ended March 31, 2023

Net cash flow generated from our operating activities was ₹(362.69) lakhs for the financial year ended March 31, 2023. Our operating cash flow before working capital changes was ₹1,192.99 lakhs in the financial year ended March 31, 2023, which was the result of the profit before tax for the period of ₹827.56 lakhs adjusted primarily for depreciation and amortization expenses of ₹84.41 lakhs, net unrealised foreign exchange gain of ₹15.05 lakhs, and interest expenses of ₹265.12 lakhs. The working capital adjustments included an increase in inventories of ₹1,841.31 lakhs, an increase in other financial assets of ₹15.2 lakhs, a decrease in trade receivables of ₹86.53 lakhs, a decrease in other current assets of

₹254.79 lakhs, a decrease in other financial liabilities of ₹12.46 lakhs, an increase in trade payables of ₹81.73 lakhs, a decrease in other current liabilities of ₹5.89 lakhs, and an increase in provisions of ₹13.13 lakhs. The company paid net Taxes of ₹117.01 lakhs in FY 23

**For the Financial Year ended March 31, 2022**

Net cash flow generated from our operating activities was ₹339.24 lakhs for the financial year ended March 31, 2022. Our operating cash flow before working capital changes was ₹848.14 lakhs in the financial year ended March 31, 2022, which was the result of the profit before tax for the period of ₹456.09 lakhs adjusted primarily for depreciation and amortization expenses of ₹98.21 lakhs, provision for expected credit losses of ₹3.02 lakhs, net unrealised foreign exchange gain of ₹3.70 lakhs, and interest expenses of ₹284.42 lakhs. The working capital adjustments included an increase in other financial assets of ₹39.05 lakhs, an increase in trade receivables of ₹304.08 lakhs, an increase in other current assets of ₹674.57 lakhs, a decrease in inventories of ₹175.47 lakhs, a decrease in trade payables of ₹674.74 lakhs, an increase in other financial liabilities of ₹34.76 lakhs, an increase in other current liabilities of ₹1,306.82 lakhs. The company paid net Taxes of ₹60.67 lakhs in FY 22



## **CASH FLOW FROM INVESTING ACTIVITIES**

### **For the Period Ended August 31, 2024**

Net cash flow from investing activities was ₹(43.95) lakhs for the financial year ended March 31, 2024. This reflected capital expenditure made towards the purchase of property, plant, and equipment of ₹ -43.95 lakhs.

### **For the Financial Year ended March 31, 2024**

Net cash flow from investing activities was ₹(87.46) lakhs for the financial year ended March 31, 2024. This reflected capital expenditure made towards the purchase of property, plant, and equipment of ₹88.32 lakhs and proceeds from the sale of property, plant, and equipment of ₹0.86 lakhs.

### **For the Financial Year ended March 31, 2023**

Net cash flow from investing activities was ₹(10.93) lakhs for the financial year ended March 31, 2023. This reflected capital expenditure made towards the purchase of property, plant, and equipment of ₹11.06 lakhs & Sale of Investment of ₹0.13 Lakhs.

### **For the Financial Year ended March 31, 2022**

Net cash flow from investing activities was ₹(37.89) lakhs for the financial year ended March 31, 2022. This reflected the purchase of property, plant, and equipment of ₹49.93 lakhs and proceeds from the sale of property, plant, and equipment of ₹11.83 lakhs & Sale of Investment of ₹0.21 Lakhs.

## **CASH FLOW FROM FINANCING ACTIVITIES**

### **For the Period Ended August 31, 2024**

Net cash flow from financing activities was ₹ 93.87 lakhs for the period ended August 31, 2024. This reflected an increase in borrowing of ₹ 235.44 lakhs and interest paid of ₹141.57 lakhs.

### **For the Financial Year ended March 31, 2024**

Net cash flow from financing activities was ₹388.83 lakhs for the financial year ended March 31, 2024. This reflected an increase in borrowing of ₹690.61 lakhs and interest paid of ₹301.78 lakhs.

### **For the Financial Year ended March 31, 2023**

Net cash flow from financing activities was ₹378.87 lakhs for the financial year ended March 31, 2023. This reflected an increase in borrowing of ₹643.99 lakhs and interest paid of ₹265.12 lakhs.

### **For the Financial Year ended March 31, 2022**

Net cash flow from financing activities was ₹(269.15) lakhs for the financial year ended March 31, 2022. This reflected an increase in borrowing of ₹15.27 lakhs and interest paid of ₹284.42 lakhs.

## **INFORMATION REQUIRED AS PER ITEM 11 (II) (C) (IV) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS**

### **1. Unusual or infrequent events or transactions**

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in 'Factors Affecting our Results of Operations' and the uncertainties described in the chapter entitled "Risk Factors" beginning on page 25 of this Prospectus. To our knowledge, except as we have described in this Prospectus, there are no known factors which we expect to bring about significant economic changes.

**3. Income and Sales on account of major product/main activities**

The company is engaged in the business of manufacturing of fertilizers which is its core business from where it derives its revenues.

**4. Whether the Company has followed any unorthodox procedure for recording sales and revenues**

Our Company has not followed any unorthodox procedure for recording sales and revenues.

**5. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Apart from the risks as disclosed under chapter titled "Risk Factors" beginning on page 25 of this Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**6. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of New products or services or increased sales prices**

Changes in revenue in the last three financial year's are as explained in the part "Financial year 2023-24 compared with financial year 2022-23 and Financial year 2022-23 compared with Financial year 2021-22 above.

**7. Total Turnover of Each Major Industry Segment in which the Issuer Operates.**

In FY 24 out of a Total Revenue of ₹15,159.56 Lakhs, ₹11,823.05 Lakhs was derived from Fertilizers & ₹3,336.51 Lakhs was derived from the weighbridge segment.

**8. Status of any publicly announced new products or business segment.**

Our Company has not announced any new services or business segment.

**9. The extent to which business is seasonal.**

Our Company's business is seasonal with majority of the demand picking up in October for Kharif Crops & February to April for Rabi Crops.

**10. Competitive conditions.**

Competitive conditions are as described under the chapters titled "Industry Overview" and "Our Business" beginning on pages 101 and 117 respectively of this Prospectus.

## FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on January 31, 2025, together with a brief description of certain significant terms of such financing arrangements.

(₹ in Lakhs)

Nature of Borrowings	Amount
Secured borrowings	2,929.54
Unsecured borrowings	1,037.54
<b>Total</b>	<b>3,967.08</b>

### A. Secured Borrowings

Sr. No.	Nature of Facility	Date Of Sanction	Amount Sanctioned (In Lakhs)	Security	Purpose	Amount o/s as on 31.01.2025 Books (In Lakhs)	Rate of Int.
1	Axis Bank Cash Credit	30/09/2023	1,900.00	Secured by Equitable mortgage of Company's Land & Building situated at Dewas industrial area & Plot no 20&21 Irish Park, Talawali Chanda, Indore and Hypothecation of Movable assets. And personal Guarantee of the Directors.	Working Capital	1,868.58	Repo +2.55 = 9.05 p.a at present
2	Axis Bank Letter of Credit	30/09/2023	340.00	20% Cash Margin	Working Capital	330.31	Bank Standards Charges + GST
3	Kotak Mahindra bank Ltd. Term Loan	28/02/2022	647.00	The amount is repayable in Monthly instalments of equal amount and secured by mortgage of Property of subsidiary company and is collaterally secured by personal guarantee of the directors of the company.	Purchase Jyoti Weighing system Pvt Ltd	406.41	9.60 P.A. Present
4	Kotak Mahindra bank Ltd. Term Loan	16/05/2023	75.00	The amount is repayable in Monthly instalments of equal amount and secured by mortgage of Property of subsidiary company and is collaterally secured by personal guarantee of the directors of the company.	Purchase of Plant & Machinery	54.81	9.10 P.A. Present
5	Kotak Mahindra bank Ltd. Term Loan	31/03/2023	200.00	The amount is repayable in Monthly instalments of equal amount and secured by mortgage of Property of subsidiary company and is collaterally secured by	Purchase of Plant & Machinery	140.14	9.20 P.A. Present

				personal guarantee of the directors of the company.			
6	Kotak Mahindra bank Ltd. Term Loan	31/12/2024	150.00	The amount is repayable in Monthly instalments of equal amount and collaterally secured by mortgage of Property of the company, subsidiary company and sister company.	Expansion/Renovation of plant	72.82	Repo +2.70 = 9.20 p.a at present
7	HDFC Bank JCB Loan	13/03/2024	32.00	Hypothecation of JCB	Motor vehicle loan	24.85	9.76 P.A. Present
8	Kotak Mahindra bank Ltd. Term Loan	23/02/2022	75.00	Secured by mortgage of Immovable Property of subsidiary company.	Working Capital	31.62	Repo +3.10 = 7.50 p.a at present
		<b>Total</b>	<b>3419.00</b>			<b>2929.54</b>	

#### B. Unsecured Borrowings

As on January 31, 2025, the outstanding unsecured loans Repayable on demand from the following parties

(Rs in Lakh)

Sr. No.	Name of Person	Outstanding as of January 31, 2025	Rate of Interest	Repayment Terms
1.	Axis Bank ECLGS-1	93.33	9.25% p.a at present	Repayable in monthly installments
2.	Birla Sun Life Insurance Co. Ltd.	27.08	12.25% p.a at present	Repayable on demand
3.	Divya Dev Developers Pvt.Ltd.	100.00	15% p.a at present	Repayable on demand
4.	Godrej Finance Limited	47.77	15% p.a at present	Repayable in monthly instalments
5.	ICICI Bank A/C	46.39	16% p.a at present	Repayable in monthly instalments
6.	IDFC First Bank A/C	55.03	14.5% p.a at present	Repayable in monthly instalments
7.	Oxyzo Financial Sevices*	18.83	14.65% p.a at present	Repayable in bimonthly installments

8.	Yes Bank OD	380	9.65% p.a at present	Repayble on demand
9.	Oxyzo Financial Sevices*	63.30	14.65% p.a at present	Repayble in bimonthly installments
10.	Poonawalla Fincorp Limited	42.29	16% p.a at present	Repayble in monthly installments
11.	Princes Buildtech And Infra.Developers Pvt.Ltd.	50.00	15% p.a. at present	Repayble on demand
12.	Standard Chartered Bank	46.41	16% p.a at present	Repayble in monthly instalments
13.	Swan Finance	25.00	15% p.a. at present	Repayble on demand
14.	Tata Capital Limited	42.11	15% p.a at present	Repayble in monthly installments
	<b>Total</b>	<b>1037.54</b>		

## **CHAPTER VII – LEGAL AND OTHER INFORMATION OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

This is to certify that, 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 wilful defaulters or fraudulent borrowers 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 its Group Companies from any statutory authority / revenue authority that would have a material adverse effect on our business.

For the purpose of material litigation, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Prospectus:

- a. All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, or Group Companies, as the case may be, shall be deemed to be material;
- b. All pending litigation involving our Company, Promoters, Directors, or Group Companies as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (a) The aggregate amount involved in such individual litigation exceed 1% profit after tax of the company (b) where the decision of one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed of 1% of the profit after tax of the company., if similar litigations put together collectively exceed 1% of the profit after tax of the company. (c) litigations whose outcome could have material impact on the business, operations or reputations of the company and board or any of its committees and as required under the SEBI Regulations have been disclosed on our website.

### **PART-I LITIGATION RELATING TO THE COMPANY**

#### **1. FILED AGAINST THE COMPANY**

- a. Litigation Involving Criminal Laws – **NIL**
- b. Litigation Involving Actions by Statutory/Regulatory Authorities-
  - i. A Complaint has been filed against our company under section 12 AA (e) of Essential Commodity Act 1955 [hereinafter referred to as '**the Act**'] for contravention of clause 19 of the Fertilizer Control Order 1985 read with Section 3 and 7 of the Act. The brief facts that lead to complaint are as follow, that on 10/11/2020 Fertilizer Inspector [hereinafter referred to as '**the Complainant**'] visited and inspected the shop/sale premises of Mr Pravin S Iyapurwar who is a retailer and is selling various kinds of fertilizers, manager and salesman himself was present at the time of inspection. The complainant found that various types of fertilizers were kept for sale. The complainant drew the sample of Straight Fertilizer 00:16:00

P205(T)-16% (min), P205(ws)-14.5% (min), Zn-0.5%, B-0.2%. lot no. B-001, Month of Manufacture- August 2020, manufactured by our company. The samples were collected and sent to laboratory for checking, the results for test were received on 14.12.2020 and the result declared that the samples was not according to specifications and thus not as per prescribed standards of Fertilizer Control Order 1985. Therefore, based on the findings and analysis reports case was filed against our company offences as per clause 19(a) and 19(b) of the Fertilizer Control Order 1985 r/w Section 3 and 7 of the Act. The matter is pending adjudication before the Hon'ble Judicial Magistrate First Class, Saoli. If case during adjudication and trial the alleged violation are proved against the Company, the punishment may include penalty and/or imprisonment of Concerned officers for a term ranging from three months to seven years as per the Judgement of Hon'ble court. The amount of penalty/ punishment is not quantifiable.

- ii. As per online information available, a case bearing case no: SCC/85/2023 has been filed against our company before the Civil Judge Junior Division, Bhadrawati. The case has been filed by the Government of Maharashtra through District Quality Control Inspector. As on the date the case in pending adjudication before the Hon'ble Court at the stage of 'Awaiting Summons'.
- iii. As per online information available, a case bearing case no: RCC/193/2023 has been filed against our company before the Civil Judge Junior Division, Georai. The case has been filed by the state of Maharashtra. As on the date the case in pending adjudication before the Hon'ble Court at the stage of 'Appearance'.
- iv. As per online information available, a case bearing case no: SCC/7173/2020 has been filed against our company (Accused No 1) before the Chief Judicial Magistrate Nagpur. The petitioner has filed the present case under section 12 A of the Essential Commodities Act 1955 for contravention of clause 19(a) and 19(b) of the Fertilizer Control Order 1985 read with Section 3 and 7 of the ECA 1955. As on the date the case in pending adjudication before the Hon'ble Court at the stage of 'Awaiting Summons'.
- v. A case has been filed against our company (Accused No 1) under section 12 A of the Essential Commodities Act 1955 for contravention of clause 19(a) and 19(b) of the Fertilizer Control Order 1985 read with Section 3 and 7 of the ECA 1955. The brief facts of the matter are such, the premises of M/s Mohadi Agro Agency, Mohadi (Accused No 3) was inspected and samples of Granulated Straight Fertilizer, manufactured by Accused No 1, were randomly taken for inspection. The lab analysis report declared that the samples were not according to the specifications and failed in NACSP, WSP, ZINC particle size content and was declared as Non-Standard. Thus, the petitioner in the present case has alleged contraventions of various sections of the Essential Commodities Act 1955 and filed the present suit before the Judicial Magistrate First Class Mohadi bearing case no. SCC/43/2024. As on the date the said suit is pending adjudication before the Hon'ble court at the stage of 'Awaiting Notice'

- vi. The Farmer welfare & Agriculture development department had filed an FIR against **M/s Balaji Phosphate Pvt. Ltd.** due to a non-standard result from an analysis report of a fertilizer sample issued by the Jabalpur laboratory.

Below is the chronological sequence of events:

**Chronology of Events – FIR no. 0112 against Balaji Phosphates Limited**

<b>Date of event</b>	<b>Nature of event</b>
Dec 5, 2020	Jabalpur Laboratory issued an analysis report stating the fertilizer sample was "Non-Standard."
Dec 7, 2020	Farmer welfare & Agriculture development department issued a show cause notice to the company.
Dec 14, 2020	In response to the show cause notice, the company promptly filed an application on 14 December 2020, requesting retesting of the same fertilizer sample to verify its quality.
Feb 23, 2021	Farmer welfare & Agriculture development department filed an FIR against the company on the 23 February 2021.
Mar 17, 2021	The retesting process was carried out, and the Dharampuri (Tamilnadu) Laboratory issued a new report dated 17 March 2021, confirming that the fertilizer sample met the Standard Specifications and was compliant with quality requirements.
	There is a specific order from the Ministry of Agriculture & farmers Welfare via F no. 1-2/2003 dated 15th November 2019 that FIR should not be filed on the failure of the first sample without providing an opportunity for referee analysis.
Oct 9, 2021	The company submitted a formal application to the Farmer welfare & Agriculture development department to withdraw the FIR.

The Fertilizer Control Order (FCO) explicitly states that no action should be taken against the manufacturer until one month after the initial sampling, as the manufacturer has the right to request a second sampling. In accordance with this provision, the company formally requested the Farmer welfare & Agriculture development department on 14 December 2020 to allow a re-analysis of the referee sample in its possession. However, the Farmer welfare & Agriculture development department filed the FIR on 23 February 2021, before receiving the re-analysis report, which was issued on 17 March 2021.

The retesting of the sample confirmed that the product met the required quality standards. No penalties, adverse decisions, further actions, or notices have been received by the Company on this matter. Therefore, it was deemed immaterial and did not impact the company's operations or financial position.

Similar FIR (FIR No. 0506, dated December 15, 2021) was filed due to the failure of the first sample. However, the second sample was found to be compliant. The Farmer Welfare & Agriculture Development Department has already submitted a request for the withdrawal of the FIR to the police station, dated March 28, 2023.



- c. Litigation Involving Tax Liabilities
  - i. Direct Tax – **NIL**
  - ii. Indirect Tax- **NIL**
- d. Other Pending Litigation- **NIL**

## **2. CASES FILED BY THE COMPANY**

- a. Litigation Involving Criminal Laws – **NIL**
- b. Litigation Involving Actions by Statutory/Regulatory Authorities- **NIL**
- c. Litigation Involving Tax Liabilities
  - i. Direct Tax – **NIL**
  - ii. Indirect Tax- **NIL**
- d. Other Pending Litigation -**NIL**

## **PART-II LITIGATION RELATING TO THE DIRECTORS AND PROMOTERS OF THE COMPANY.**

### **1. CASES FILED AGAINST COMPANY DIRECTOR AND PROMOTER**

- a. Litigation Involving Criminal Laws – **NIL**
- b. Litigation Involving Actions by Statutory/Regulatory Authorities- **NIL**
- c. Litigation Involving Tax Liabilities

- i. Direct Tax –

Our Director Mr. Mohit Airen and Alok Gupta [hereinafter referred to as Directors] have outstanding Income Tax Demand Notices as per the information available on the Online Portal of Income Tax Demand. The demand raised against the Director are as such;

Assessment Year	Date of Demand Raised	Demand Reference No:	Outstanding Amount along with Interest
<b>MOHIT AIREN</b>			
2016-2017	30.12.2019	2019201737089454256T	Rs.74,12,788
<b>ALOK GUPTA</b>			
2016-2017	30.12.2019	2019201737089451852T	Rs. 94,50,426

- ii. Indirect Tax- **NIL**

- d. Other Pending Litigation-**NIL**

### **2. CASES FILED BY COMPANY DIRECTORS AND PROMOTERS**

- a. Litigation Involving Criminal Laws – **NIL**
- b. Litigation Involving Actions by Statutory/Regulatory Authorities- **NIL**
- c. Litigation Involving Tax Liabilities
  - i. Direct Tax – **NIL**
  - ii. Indirect Tax- **NIL**
- d. Other Pending Litigation- **NIL**

## **PART III- LITIGATION RELATING TO GROUP COMPANIES OTHER THAN CORPORATE PROMOTRES**

### **1. CASES FILED AGAINST GROUP COMPANIES OTHER THAN CORPORATE PROMOTERS**

- a. Litigation Involving Criminal Laws – **NIL**
- b. Litigation Involving Actions by Statutory/Regulatory Authorities- **NIL**
- c. Litigation Involving Tax Liabilities

- a. Direct Tax-

- i) **DIVYA JYOTI AGRO PRIVATE LIMITED**

As per the data available online on the Income Tax Demand Portal, one of our one of our group company Divya Jyoti Agro Private Limited has following Income Tax Outstanding Demands:-

Assessment Year	Under Section	Demand Reference No:	Outstanding Amount along with Interest
2019-2020	143 1 a	20202019	Rs. 4,23,382

Further, the group company has submitted its responses to the said demands and have disagreed with the outstanding demands raised in full. The matter is pending adjudication from the authorities.

- b. Indirect Tax- **NIL**

- d. Other Pending Litigation – **NIL**

## **2. CASES FILED BY GROUP COMPANIES OTHER THAN CORPORATE PROMOTRES**

- a. Litigation Involving Criminal Laws – **NIL**
- b. Litigation Involving Actions by Statutory/Regulatory Authorities- **NIL**
- c. Litigation Involving Tax Liabilities

- a. Direct Tax – **NIL**

- b. Indirect Tax- **NIL**

- d. Other Pending Litigation- **NI**

- e. **Outstanding Dues To Small Scale Undertaking Or Any Other Creditors**

As of August 31, 2024, our Company has 35 creditors, to whom an outstanding amount of ₹ 291.75 Lakhs is due. All of these creditors belong to the MSME category.

- f. **MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET DATE**

Except as disclosed in the chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 270 of this Prospectus, in the opinion of our Board, there have not arisen, since March 31, 2024 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.

## **PART IV- LITIGATION RELATING TO SUBSIDIARY COMPANY**

### **1. CASES FILED AGAINST SUBSIDIARY COMPANY**

- a. Litigation Involving Criminal Laws – **NIL**
- b. Litigation Involving Actions by Statutory/Regulatory Authorities- **NIL**

**c. Litigation Involving Tax Liabilities**

**a. Direct Tax**

**i) JYOTI WEIGHING SYSTEMS PRIVATE LIMITED**

Assessment Year	Under Section	Demand Reference No:	Date of Demand	Outstanding Amount along with Interest
2010-2011	154	201520113705 7820241C	30.11.2015	Rs. 8,80,510
2017-2018	143(1) a	202420184041 7343925C	05.07.2024	Rs. 1,08,256
2018-2019	154	202020193701 6438032C	20.09.2020	Rs.5,50,880
2019-2020	154	202120203705 0720334C	14.03.2022	Rs. 4,26,736

b. Indirect Tax- NIL

c. Other Pending Litigation – NIL

**3. CASES FILED BY SUBSIDIARY COMPANY**

a. Litigation Involving Criminal Laws – NIL

b. Litigation Involving Actions by Statutory/Regulatory Authorities- NIL

c. Litigation Involving Tax Liabilities

d. Direct Tax – NIL

e. Indirect Tax- NIL

f. Other Pending Litigation- NILs

## GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of approvals obtained by our Company and our Subsidiaries which are considered material and necessary for the purpose of undertaking its business activities. In view of these key approvals, our Company can undertake this Issue and its business activities. In addition, certain of our key approvals may expire in the ordinary course of business and our Company will make applications to the appropriate authorities for renewal of such key approvals, as necessary. Unless otherwise stated herein and in the section “**Risk Factors**” beginning on page 25 of this Prospectus, these material approvals are valid as of the date of this Prospectus. For details in connection with the regulatory and legal framework within which we operate, see “**Key Regulations and Policies**” on page 142 of this Prospectus.

Our Company is in the process to submit the necessary application(s) with all regulatory authorities for change of its name in the approvals, licenses, registrations and permits issued to our Company.

### **I. MATERIAL APPROVALS OBTAINED IN RELATION TO THE ISSUE**

- a. The Board of Directors has, pursuant to a resolution passed at its meeting held on March 02, 2024 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62 of the Companies Act, 2013 and approvals by such other authorities, as may be necessary
- b. The shareholders of the Company have, pursuant to a special resolution passed in the shareholders meeting held on March 08, 2024 authorized the Issue under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
- c. The Equity Shares, once offered through the Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (NSE EMERGE). Our company has received “in-principle” approval from the NSE Emerge for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated January 28, 2025. For the purpose of the offer, the designated stock exchange shall be NSE

### **II. MATERIAL APPROVALS OBTAINED IN RELATION TO OUR BUSINESS AND OPERATIONS**

Our Company and our Subsidiaries have obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

#### **A. Incorporation details of our Company**

- a. Our Company was originally incorporated as a private limited company in the name of “*Balaji Phosphates Private Limited*” vide Certificate of Incorporation dated April 04, 1996, issued by the Registrar of Companies, Kanpur.
- b. Fresh Certificate of Incorporation dated 18<sup>th</sup> September, 2023 issued to our Company by the ROC, pursuant to the conversion of our Company from private limited to public limited and the ensuing change in the name of our Company from “*Balaji Phosphates Private Limited*” to “*Balaji Phosphates Limited*”.

#### **B. Tax related approvals obtained by our Company**

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue / Renewal	Date of Expiry
1.	Permanent Account Number (PAN)	AADCB5654R	Income Tax Department	April 04, 1996,	Valid till cancelled
2.	Tax Deduction Account Number (TAN)	BPLB07940C	Income Tax Department	December 13, 2023	Valid till cancelled

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue / Renewal	Date of Expiry
3.	GST Registration Certificate	23AADCB5654R1Z9	Goods and Services Tax Department	November 13, 2023	Valid till cancelled

**C. Regulatory approvals of our Company**

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Provident Fund Code Number	MPIND3171520000	Employees' Provident Fund Organization, Ministry of Labour and Employment, Government of India	February 12, 2024	Valid till cancelled
2.	ESIC – Registration Code	18000508680000301	Employees State Insurance Corporation, Ministry of Labour and Employment, Government of India	January 5, 2024	Valid till cancelled
3	Registration Certificate – under the Indore M.P, Shops and Establishment Act, 1954	INDO230425SE013676	Department of Labour, Indore	April 05, 2024,	Valid till cancelled
4	UDYAM Registration Certificate	UDYAM-MP-23-0003265	Ministry of Micro, Small and Medium Enterprises, Government of India	November 07, 2023	Valid till cancelled
5	Importer Exporter Code	1510000534	Ministry of Commerce and Industry Directorate General of Foreign Trade	May 20, 2010	Valid till cancelled
6	Indian Standards IS 8249: 2019	3146952	Bureau of Indian Standards	September 30, 2023	September 30, 2024
7	Factory License	30/13858/DWS/2M (1)	MP Factories Rules 1962	November 28, 2023	December 31, 2025

Sr. No.	Nature of Registration/License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
8	Pollution Control/ Consent Order	10333	M.P Pollution Control Board	December 10, 2022	November 30, 2026
9	Fire NOC	6100013041	Office of Commissioner/Fire Office, Dewas	March 01, 2024	Valid till cancelled
10	Environment Clearance for Expansion of SSP/GSSP	7642/SEIAA/2015	State Level Environment Impact Assessment Authority (SEIAA)	November 13, 2015	NA
11	Legal Metrology	RS/437/2920/1444/2024	Controller of Legal Metrology	February 28, 2024	NA
12	No Objection Certificate (NOC) for ground water abstraction	Not Applicable			
13	Authorisation Letter for Storing and Distributing Fertilizers Single Superphosphate	137	Directorate of Farmer Welfare And Agriculture Development	July 07, 2009 Renewal Date: September 07, 2021	September 26, 2026
14	Authorization Letter for Sale of Fertilizers in Andhra Pradesh	KNL/29/ADDL.DA/FW/2015/16351	Additional Directorate of Agriculture, Andhra Pradesh	April 22, 2015	April 21, 2026
15	Authorization Letter for Sale of Fertilizers in Chhattisgarh	CGFLWS11561	Directorate of Agriculture, Chhattisgarh	March 29, 2014	March 28, 2025
16	Authorization Letter for Sale of Fertilizers in Maharashtra	LCFD100721	Director Of Agriculture (Input & Quality Control) Pune	July 20, 2021	July 19, 2026
17	Authorization Letter for Sale of Fertilizers in Telangana, Hyderabad	RRD/15/ADDL.DA/FW/2015/16189	Director Of Agriculture Telangana, Hyderabad	July 17, 2015	July 16, 2026

### III. MATERIAL APPROVALS RELATED TO OUR MATERIAL SUBSIDIARIES

**A. Incorporation details of our Material Subsidiaries**

Our Subsidiary in the name of “*Jyoti Weighing Systems Private Limited*” was originally incorporated as public limited company ‘Jyoti Weighing Systems Limited’ vide certificate of incorporation dated 26 June 1979, issued by the Registrar of Companies, Gwalior. After that Our subsidiary company was converted into Private Limited Company by passing shareholders resolution dated 10<sup>th</sup> February 2012, vide certificate of incorporation dated February 24, 2012 issued by the Registrar of Companies, Gwalior.

**B. Tax-related approvals obtained by our Material Subsidiaries**

**JYOTI WEIGHING SYSTEMS PRIVATE LIMITED**

1.	Permanent Account Number (PAN)	AAACJ0218J	Income Tax Department	June 26, 1979	Valid till cancelled
2.	Tax Deduction Account Number (TAN)	BPLJ01149B	Income Tax Department	August 30, 2012	Valid till cancelled
3.	GST Registration Certificate	23AAACJ0218J1Z2	Goods and Services Tax Department	February 17, 2023	Valid till cancelled

**C. Regulatory approvals of our Material Subsidiaries**

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue / Renewal	Date of Expiry
1.	Registration Certificate – under the Indore M.P, Shops and Establishment Act, 1954	INDO240326E01 8658	Department of Labour, Indore	March 27, 2024	Valid till cancelled
2	Registration Certificate – under the Delhi, Shops & Establishment Act, 1954	2024064757	Department of Labour, Delhi	April 01, 2024	Valid till cancelled
3.	UDYAM Registration Certificate	UDYAM-MP-16-0000437	Ministry of Micro, Small and Medium Enterprises, Government of India	September 18, 2020	Valid till cancelled
4.	ISO Certificate	ISO 9001: 2015	Indraprastha System Certificate	November 12, 2022	November 11, 2025
5.	Importer Exporter Code	0588125288	Ministry of Commerce and Industry Directorate General of	August 12, 1988	Valid till cancelled

			Foreign Trade		
6.	ESIC CERTIFICATE	18000087490 000606	Employees' State Insurance Corporation	October 22, 2010	Valid till cancelled
7.	Factory License	65/7568/DWS /2m(I)/NH	MP Factories Rules 1962	November 16, 2022	December 31, 2025
8.	Manufacturing License	RS/439/2905/ 2/2023	Controller of Legal Metrology	September 23, 1983	December 31, 2028
9.	Fire NOC	6100014526	Office of Commissioner/Fire Office, Dewas	March 1, 2024	Valid Till Cancelled

#### IV. MATERIAL APPROVALS OR RENEWALS FOR WHICH APPLICATIONS ARE CURRENTLY PENDING BEFORE RELEVANT AUTHORITIES

The Company was originally incorporated as Private Limited company on April 04, 1996 later on by the resolution passed in the general meeting held on 7<sup>th</sup> September, 2023 company was converted into Public Limited Company and named as “Balaji Phosphates Limited.” The company had obtained licenses originally in the name of Private Limited Company after the conversion of company they applied for name change in the licenses and is in the process of obtaining licenses with name change. Our Subsidiary company has also applied for Fire NOC approval, which is pending from govt. authority.



#### V. MATERIAL APPROVALS EXPIRED AND RENEWAL YET TO BE APPLIED FOR: NIL

#### VI. MATERIAL APPROVALS REQUIRED BUT NOT OBTAINED OR APPLIED FOR: NIL


#### VII. INTELLECTUAL PROPERTY

As on the date of this Prospectus, our Company has registered the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999

##### 1. Balaji Phosphates Limited

Date of Issue/Application	Trademark Holder	Trademark Application/certificate No.	Class of Registration	Trademark
21/10/2011	Balaji Phosphates Pvt Ltd	1977145	1	
18/04/2023	Balaji Phosphates Private Limited	1977145	1	

##### 2. Jyoti Weighing Systems Private Limited

20/06/2023	Jyoti Weighing System Private Limited	5987941	9	
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For more details, see “**Our Business**” on page 117

For risk associated with our intellectual property please see, “***Risk Factors***” on page 25 of this Prospectus

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE OFFER

#### Corporate Approvals

The Offer has been authorised by a resolution of the Board of Directors passed at their meeting held on July 2, 2024, subject to the approval of shareholders of our Company through a special resolution to be passed, pursuant to Section 62(1)(c) of the Companies Act, 2013.

The members of our Company have approved this Offer by a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extraordinary General Meeting of our Company held on August 1, 2024.

Our Board has approved the Red Herring Prospectus through its resolution dated February 21, 2025 and the Prospectus through its resolution dated March 5, 2025.

### IN-PRINCIPLE LISTING APPROVALS

We have received In-Principle Approval from National Stock Exchange of India Limited vide their letter dated **January 28, 2025** to use the name of National Stock Exchange of India Limited in this Offer Documents for listing of our Equity Shares on EMERGE Platform of NSE. National Stock Exchange of India Limited is the Designated Stock Exchange.

### PROHIBITION BY THE SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Further, our Company, Promoters, members of the Promoter Group, directors, Selling Shareholder are not debarred or prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India. Our Directors and Promoters are not directors or Promoters of any other company which is debarred from accessing the capital markets by SEBI.

Our Company, Promoters, Selling Shareholders and the Selling Shareholders or Directors have not been declared as Wilful Defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

Our Promoters or Directors have not been declared as Fugitive Economic Offenders.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or any other right which would entitle any person any option to receive Equity Shares, as on the date of this Prospectus. For further information see *“Capital Structure”* on page 65 of this Prospectus.

### ASSOCIATION WITH SECURITIES MARKET

None of our Directors in any manner 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.

### PROHIBITION BY RBI

Neither our Company, our subsidiary, our Promoters, our Selling Shareholder, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a wilful defaulter or a fraudulent borrower 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 in the section titled *“Outstanding Litigations and Material Development”* beginning on page 287 of this Prospectus.

### COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, Selling Shareholder, Promoters and members of the Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 as amended (“SBO Rules”), to the extent applicable to each of them as on the date of this Prospectus.

## **ELIGIBILITY FOR THE ISSUE**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018; and this Offer is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations, 2018.

Our Company is eligible for the Offer in accordance with Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post Offer face value capital is less than or equal to ten crores, 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 EMERGE Platform of NSE. Our Company also complies with eligibility conditions laid by NSE for listing of Equity Shares.

### **We confirm that:**

- a. In accordance with Regulation 246 of the SEBI (ICDR) Regulations, 2018, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Book Running Lead Manager submits the copy of Red Herring Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus/ Prospectus with Stock Exchange and the Registrar of Companies.
- b. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this Offer has been one hundred (100) percent underwritten and that the Book Running Lead Manager to the Offer has underwritten at least 15% of the Total Offer Size. For further details pertaining to said underwriting please refer to the chapter “**General Information**” beginning on page no 53 of this Prospectus.
- c. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee’s in the issue shall be greater than or equal to fifty (50), failing which the entire application monies shall be refunded forthwith, in accordance with the SEBI ICDR Regulations and other applicable laws.
- d. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement with the Book Running Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of (3) three years from the date of listing of equity shares offered in this Offer. For further details of the arrangement of market making please see chapter titled “**General Information**” beginning on page 53 of this Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

Our Company is also eligible for the Offer in accordance with eligibility norms for Listing on EMERGE Platform of NSE which states as follows:

1. **The issuer should be a Company incorporated Under Companies Act**

Our Company is incorporated under the Companies Act, 1956

2. **The post Offer paid up capital of the company (face value) shall not be more than ₹ 25 crores.**

The post Offer paid up capital of the Company will be less than ₹ 25 crores.

3. **Track Record**

A) **The company should have a track record of at least 3 years**

Our Company satisfies the criteria of Track Record of at least 3 years

B) **The Company should have positive cash accruals (earnings before interest, depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth should be positive**

Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement.

(₹ in lakhs)

Particulars	As on March 31, 2024	As on 31st March 2023	As on 31st March 2022
Net Profit as per Restated Financial Statement	604.05	608.76	319.08
Cash Accruals as per restated Financial Statement	1,223.09	1,177.09	838.73
Net Worth as per Restated Financial Statements	3,500.32	2896.51	2286.35

**C) The company should have positive Free cash flow to Equity (FCFE) for at least 2 out of 3 financial years preceding the application.**

Particulars	FY24 (In Lakhs)	FY23 (In Lakhs)
Net Cash flow from Operations	-348.11	-362.68
Less- Purchase of Fixed Assets (net of sale proceeds of Fixed Assets)	87.46	11.06
Add- Net Total Borrowings (net of repayment)	690.61	643.99
Less- Interest expense x (1-T)	217.89	195.02
Effective Tax Rate	27.80%	26.44%
<b>Free cash flow to Equity (FCFE)</b>	<b>37.14</b>	<b>75.22</b>

*This calculation is done as per the methodology specified via circular dated August 22, 2024 by NSE.*

**4. The Company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

The Company's equity shares bear an ISIN: INE0PQ601019

**5. Company shall mandatorily have a website.**

Our Company has a live and operational website is [www.balajiphosphates.com](http://www.balajiphosphates.com)

**6. Other Listing Condition:**

- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against the Company that has been admitted by the Court and accepted by a court or a Liquidator has not been appointed.
- There has been no change in the promoter/s of the Company in preceding one year from the date of filing application to NSE for listing on EMERGE Platform of NSE.
- No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company, promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting Company(ies) during the past three years.

- f) There are no criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the Company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For further details please refer the chapter titled “*Legal and Other Information*” on page 287 of this Prospectus
- g) The applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation. For further details please refer the chapter titled “*Legal and Other Information*” on page 287 of this Prospectus.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the EMERGE Platform of NSE.

#### **COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS, 2018**

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 Offer.

#### **SEBI DISCLAIMER CLAUSE**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, ARIHANT CAPITAL LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, ARIHANT CAPITAL MARKETS LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 21, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOUSER REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY 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 BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THIS OFFER DOCUMENT.**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS OFFER WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, GWALIOR, IN TERMS OF SECTION 26 OF THE COMPANIES ACT, 2013.**

#### **DISCLAIMER FROM OUR COMPANY, SELLING SHAREHOLDER, OUR DIRECTORS AND THE BOOK RUNNING LEAD MANAGER**

Our Company, our Selling Shareholder, our Directors and the BRLM accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our Company’s website [www.balajiphosphates.com](http://www.balajiphosphates.com) would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement entered into between the Underwriters and our Company. All information shall be made available by our Company and the BRLM to the investors and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.

## **CAUTION**

Investors who apply in the Offer 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 Offer, 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 Offer.

## **DISCLAIMER IN RESPECT OF JURISDICTION**

This Offer 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, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, AIFs 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 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, 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 Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Any dispute arising out of this Offer will be subject to jurisdiction of the competent court(s) in Indore, Madhya Pradesh, India 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 the Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Red Herring 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.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Bidder where required agrees that such Bidder will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

## **DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NSE**

As required, a copy of this Red Herring Prospectus has been submitted to National Stock Exchange of India Limited. The Disclaimer Clause as intimated by the National Stock Exchange of India Limited to us, post scrutiny of the Red Herring Prospectus will be produced by our Company, is as follows:

*“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/2066 dated January 12, 2023, permission to the Issuer to use the Exchange’s name in this Offer Document as one of the Stock Exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this Offer Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.*

*Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange 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 any other reason whatsoever.”*

#### **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 offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

**Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each Bidder where required agrees that such Bidder will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **LISTING**

Our Company has obtained In-Principle approval from National Stock Exchange of India Limited vide letter dated **January 28, 2025** to use name of National Stock Exchange of India Limited in this offer document for listing of equity shares on Emerge Platform of NSE, with which Basis of Allotment will be finalized.

In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, there is requirement of obtaining In-Principle approval from National Stock Exchange of India Limited. Application will be made to the National Stock Exchange of India Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE India is 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 Emerge Platform of NSE is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the Bidders in pursuance of this Prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within such time prescribed by SEBI or else the application money shall be refunded to the Bidders forthwith, failing which interest shall be due to be paid to the Bidders at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within 6 Working Days of the Offer Closing Date.

## CONSENTS

The written consents of our Promoters, the Selling Shareholder, Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Reviewed Auditor, Legal Advisor to the Issue, Bankers to our Company, Book Running Lead Manager, Registrar to the Offer, Underwriter, Market Maker, Banker to Offer and Sponsor Bank to act in their respective capacities have been obtained and will be filed along with a copy of the Prospectus with the ROC, as required under Sections 26 of the Companies Act, 2013 and such consents shall 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, M/s. Bagaria & Co.LLP, Peer Review Auditors, of the Company have agreed to provide their written consent to the inclusion of their report, restated financial statements and statement of Tax Benefits dated February 15, 2025 and February 20, 2025 respectively, which may be available to the Company and its shareholders, included in this Prospectus in the form and context in which they appear therein and such consent and reports have not been withdrawn up to the time of delivery of the Prospectus with ROC.

## IMPERSONATION

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who –*

*(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

*(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

*(c) vis-à-vis 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 Companies Act, 2013.”*

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

## PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

For details regarding the price information and track record of the past issue handled by Arihant Capital Markets Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI as under :



**Annexure A**  
**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY ARIHANT CAPITAL MARKETS LIMITED**

**TABLE 1**

Sr. No.	Issue Name	Type of IPO	Issue Size (Cr)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]-30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180 <sup>th</sup> calendar days from listing
1.	RBZ Jewellers Limited	Main Board	100	100	December 27, 2023	100.00	86.68% [2.67%]	43.97% [2.74%]	29.96% [18.66%]
2.	Organic Recycling Systems Limited	SME	50	200	October 6, 2023	215.00	31.94% [15.11%]	10.63% [33.15%]	-6.29% [54.94%]

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

**Note:**

1. Opening price information as disclosed on the website of the Designated Stock Exchange.
2. Change in closing price over the issue/offer price as disclosed on Designated Stock Exchange.
3. For change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the
4. Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.
5. In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered.
6. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.
7. This disclosure is restricted to last 10 issues handled by the Book Running Lead Manager.

**TABLE 2: SUMMARY STATEMENT OF DISCLOSURE**

Financial year	Total no. of IPO	Total funds Raised (₹ Cr)	Nos of IPOs trading at discount on 30 <sup>th</sup> Calendar Day from listing date			Nos of IPOs trading at premium on 30 <sup>th</sup> Calendar Day from listing date			Nos of IPOs trading at discount on 180 <sup>th</sup> Calendar Day from listing date			Nos of IPOs trading at premium on 180 <sup>th</sup> Calendar Day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less Than 25%
2021-22	0	-	-	-	-	-	-	-	-	-	-	-	-	-
2022-23	0	-	-	-	-	-	-	-	-	-	-	-	-	-
2023-24	*2	150	-	-	-	1	1	-	-	-	-	-	1	1

*\*The script of Organic Recycling Systems Limited and RBZ Jewellers Limited were listed on October 06, 2023 and December 27, 2023 respectively.*

## EXPERT OPINION

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

- (a) Statutory Auditors' reports dated February 20, 2025, on the Restated Financial Statements by M/s. Bagaria & Co, LLP., Chartered Accountants and Mishra Rajiv Kamal & Associates, Chartered Accountants..
- (b) Statement of Tax Benefits dated February 20, 2025, by M/s Bagaria & Co, LLP., Chartered Accountants.
- (c) Statutory Auditor Consent dated February 19, 2025, by M/s Bagaria & Co, LLP., Chartered Accountants

## PREVIOUS PUBLIC OR RIGHTS ISSUE

Except as stated in the chapter titled ***“Capital Structure”*** beginning on page 65 of this Prospectus, we have not made any previous rights and / or public issues during the last Five (5) years and are an “Unlisted Issuer” in terms of SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

## COMMISSION OR BROKERAGE

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

## CAPITAL ISSUE DURING THE PREVIOUS THREE (3) YEARS BY ISSUER, LISTED GROUP COMPANIES AND SUBSIDIARIES OF OUR COMPANY

Except as disclosed in chapter titled ***“Capital Structure”*** beginning on page 65 of this Prospectus our Company has not made any capital issue during the previous three (3) years.

Further Our Company do not have any listed group Companies/ Subsidiaries / Associates.

## PERFORMANCE VIS-À-VIS objects;

Except as stated in the chapter titled ***“Capital Structure”*** beginning on page 65 of this Prospectus, we have not made any previous rights and / or public issues during the last five (5) years and are an “Unlisted Issuer” in terms of SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

None of our Group Companies have their equity shares listed on any stock exchange.

## EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS GRANTED BY SEBI

Our Company has not undertaken any exemption with related to provision of securities law granted by SEBI.

## STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The agreement between the Registrar to the Offer and our Company provides for the retention of records with the Registrar to the Offer for a period of at least three years from the last date of dispatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances relating to the Offer may be addressed to the Registrar to the Offer, giving full details such as name, address of the Bidder, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process and UPI may be addressed to the Registrar to the Offer with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidders, giving full details such as name, address of the Bidder, application number, number of Equity Shares applied for, amount paid on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities) or Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidders.

Further, none of our subsidiary companies or Group Companies are listed on any stock exchange, so disclosure regarding mechanism for redressal of investor grievances for our subsidiary companies are not applicable.

SEBI, by way of its circular dated March 16, 2021 as amended by its circulars dated June 2, 2021 and April 20, 2022, has identified the need to put in place measures, in order to streamline the processing of ASBA applications through the UPI Mechanism and redressal of investor grievances arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries / SCSBs and failure to unblock funds in cases of partial allotment / non allotment within prescribed timelines and procedures. Pursuant to the circular dated March 16, 2021, SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including: (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) hosting of a web portal by the Sponsor Bank containing statistical details of mandate blocks / unblocks; (iv) limiting the facility of reinitiating UPI Applications to Syndicate Members to once per Application / Batch; and (v) mandating SCSBs to ensure that the unblock process for non-allotted / partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalization of the Basis of Allotment.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Application / Offer Closing Date, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Application / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Bidder whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. The following compensation mechanism shall be applicable for investor grievances in relation to Applications made through the UPI Mechanism for public Offers, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Application Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Application made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Application Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Application Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Application Amount and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Application Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted / partially Allotted applications	₹100 per day or 15% per annum of the Application Amount, whichever is higher	From the Working Day subsequent to the finalization of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Book Running Lead Managers shall be liable to compensate the investor ₹100 per day or 15% per annum of the Application Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI Circular No:

SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Our Company, the LM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company has appointed Registrar to the Offer, to handle the investor grievances in co-ordination with our Company. All grievances relating to the present Offer may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the Bidder, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to the Offer to ensure that the investor grievances are settled expeditiously and satisfactorily. The Registrar to the Offer will handle investor's grievances pertaining to the Offer. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be coordinating with the Registrar to the Offer in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI may be addressed to the SCSBs, giving full details such as name, address of the Bidder, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Bidder. We estimate that the average time required by us or the Registrar to the Offer or the SCSBs for the redressal of routine investor grievances will be ten (10) working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders or UPI Payment Mechanism Bidders. Our Company, the BRLM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs / Sponsor Bank including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

The Company shall obtain authentication on the SCORES and shall comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

Our Company has constituted a Stakeholders Relationship Committee of the Board vide resolution passed on August 28, 2023. For further details, please refer the chapter titled ***"Our Management"*** beginning on page no. 154 of this Prospectus.

Our Company has also appointed Ms. Deepika Singh as the Company Secretary and Compliance Officer of our Company, for this Offer she may be contacted in case of any pre-Offer or post-Offer related problems at the following address:

**Ms. Deepika Singh**  
**Tel No:** +919827090267  
**Email:** balajiphosphate@gmail.com  
**Website:** www.balajiphosphates.com

#### **STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

## **CHAPTER VIII – ISSUE INFORMATION**

### **TERMS OF THE OFFER**

The Equity Shares being issued are subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, our Memorandum and Articles of Association, SEBI Listing Regulation, the terms of this Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the Offer of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, ROC and/or other authorities, as in force on the date of the Offer and to the extent applicable. Further vide the said circular Registrar to the Offer and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Offer and Depository Participants as and when the same is made available.

#### **Authority for the Offer**

The present Public offer of upto 71,58,000 Equity Shares includes a Fresh issue of 59,40,000 Equity shares and an offer for sale by the Promoter Selling Shareholders of 12,18,000 equity shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on July 2, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on August 1, 2024 in accordance with the provisions of Sections 23(1)(a), 62(1)(c) other applicable provisions, if any, of the Companies Act, 2013 The Offer for Sale has been authorized by the Promoter Selling Shareholder by their consent letter dated August 31, 2024

<b>Sr. No.</b>	<b>Name of the Promoter Selling Shareholder</b>	<b>Date of Consent Letter</b>	<b>No. of Equity Shares</b>	<b>Amount (₹ in Lakhs)</b>
1	Mr. Alok Gupta	August 31, 2024	6,09,000 Shares	426.30
2	Mr. Mohit Airen	August 31, 2024	6,09,000 Shares	426.30

#### **Ranking of Equity Shares**

Ranking of Equity Shares The Equity Shares being issued and transferred in the Offer shall be subject to the provisions of the Companies Act 2013 and our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank paripassu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the chapter titled “Main Provisions of the Articles of Association” beginning on page 357 of this Prospectus

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to chapters titled “Dividend Policy” and “Main Provisions of Articles of Association” beginning on pages 184 and 357 respectively of this Prospectus.

#### **Face Value and Offer Price**

The face value of each Equity Share is ₹ 10.00 and the Offer Price at the lower end of the Price Band is ₹ 66/- per Equity Share (“Floor Price”) and at the higher end of the Price Band is ₹ 70/- per Equity Share (“Cap Price”). The Price Band and the minimum Bid Lot size will be decided by our Company and the Promoter Selling Shareholder in consultation with the BRLM, and will be advertised, at least two Working Days prior to the Bid/Issue Opening Date, in all editions of Financial Express, an English national

daily newspaper and all editions of Jansatta, a Hindi national daily newspaper and Indore edition of Indore Samachar, a regional newspaper, each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Offer Price shall be determined by our Company, Promoter Selling Shareholder and in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws. The Price Band and Offer Price is determined by our Company and Promoter Selling Shareholder in consultation with the Book Running Lead Manager and is justified under the chapter titled “Basis for Offer Price” beginning on page 89 of this Prospectus.

At any given point of time there shall be only one denomination for the Equity Shares

### **The Offer**

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Promoter Selling Shareholders. Expenses for the Offer shall be shared amongst our Company and the Promoter Selling Shareholder in the manner specified in “Objects of the Offer” beginning on page 78 of this Prospectus.

### **Compliance with SEBI ICDR Regulations, 2018**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- a) Right to receive dividend, if declared;
- b) Right to receive Annual Reports and notices to members;
- c) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- d) Right to vote on a poll either in person or by proxy in accordance with the provisions of the Companies Act, 2013;
- e) Right to receive offer/ issue for rights shares and be allotted bonus shares, if announced;
- f) Right to receive surplus on liquidation subject to any statutory and other preferential claim being satisfied;
- g) Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- h) Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the chapter titled “Main Provisions of Articles of Association” beginning on page 357 of this Prospectus.

**Minimum Application Value; Market Lot and Trading Lot**

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

The trading of the Equity Shares will happen in the minimum contract size of 2,000 Equity Shares and the same may be modified by the Emerge platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 2,000 Equity Shares and is subject to a minimum allotment of 2,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

*Further, in accordance with SEBI ICDR Regulations the minimum application size in terms of number of specified securities shall not be less than ₹1.00 Lakh per application.*

**Minimum Number of Allottees**

In accordance with Regulation 268 of SEBI (ICDR) Regulations, the minimum number of allottees in this Offer shall be fifty (50) shareholders failing which the entire application monies shall be refunded forthwith, in accordance with the SEBI ICDR Regulations and other applicable laws.

**Jurisdiction**

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/authorities in Mumbai,,Maharashtra, India. The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. 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.

**Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws.

**Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014, the sole or first Bidder, along with other joint Bidder, may nominate any one (1) person in whom,in the event of the death of sole Bidder or in case of Joint Bidders, death of all the Bidders, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board 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 is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the Bidder would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

## Withdrawal of the Offer

Our Company and Promoter Selling Shareholder in consultation with the Book Running Lead Manager, reserve the right to not to proceed with the Offer after the Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two (2) days of the Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Book Running Lead Manager through, the Registrar to the Offer, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one (1) working day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed. If the Offer is withdrawn after the designated Date, amounts that have been credited to the Public Offer Account shall be transferred to the Refund Account. Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and within one Working Days of the Bid/ Offer Closing Date or such other time period as prescribed under Applicable Law and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. If our Company withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an Offer or offer for sale of the Equity Shares, our Company shall file a fresh Offer Document with the Stock Exchanges. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared, and the Stock Exchanges will also be informed promptly.

## BID/OFFER PROGRAM

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/Offer Opens on	February 28, 2025
Bid/Offer Closes on	March 4, 2025
Finalization of Basis of Allotment with the Designated Stock Exchange	March 5, 2025
Initiation of Refunds / unblocking of funds from ASBA Account*	March 5, 2025
Credit of Equity Shares to demat account of the Allottees	March 6, 2025
Commencement of trading of the Equity Shares on the Stock Exchange	March 7, 2025

Our Company and the Selling Shareholders in consultation with the BRLM, may consider participation by Anchor Investors. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations

Our Company and the Selling Shareholders in consultation with the BRLM, may consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations

UPI mandate end time and date shall be at 5:00 pm IST on Bid/ Offer Closing Date

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled/withdrawn/deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher, for the entire

duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs and shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated by the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the Self Certified Syndicate Bank(s) (“SCSB”), to the extent applicable. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 read with SEBI master circular no. SEBI/HO/CFD/PoD- 2/P/CIR/2023/00094 dated June 21, 2023 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, for which the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable. The processing fee for applications made by the UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 read with SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023.

**The above timetable other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, the Selling Shareholder or the BRLM.**

**Any circulars or notifications from the SEBI after the date of this Prospectus may result in changes to the timelines. Further, the offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.**

**Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within such time as prescribed by SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholder in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. In terms of the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, our Company shall within three days from the closure of the Offer, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. The Shareholder, severally and not jointly, has specifically confirmed that it shall extend such reasonable support and co-operation required by our Company and the BRLM for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within such time as prescribed by SEBI.**

**The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB’s on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB’s shall unblock such applications by the closing hours of the Working Day.**

**In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within such time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.**

# **Submission of Bids (other than Bids from Anchor Investors)**

Bid/ Offer Period (except the Bid/ Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))
Bid/Offer Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RIBs, Eligible Employees Bidding in the Employee Reservation Portion other than QIBs and NIIs	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹500,000)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST

Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications where Bid Amount is more than ₹500,000)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories#	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs and Eligible Employees Bidding in the Employee Reservation Portion	Only between 10.00 a.m. and up to 5.00 p.m. IST

\* UPI mandate and time and date shall be at 5:00 p.m. on Bid/Offer Closing Date

# QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange in case of Bids by RIBs.

On Bid/Offer Closing Date, extension of time will be granted by Stock Exchange only for uploading Bids received by RIBs after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchange.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day and submit confirmation to the BRLMs and the RTA on the daily basis.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to the limitation of time available for uploading the Bid-Cum - Application Forms on the Bid/Offer Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/Offer Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Offer Closing Date. Any time mentioned in this Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum - Application Forms are received on the Bid/ Offer Closing Date, as is typically experienced in public Offer, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum- Application Forms that cannot be uploaded will not be considered for allocation under this Offer. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise; or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

Our Company and the Selling Shareholders in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e., the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ offer Closing Date. Allocation to Retail Individual Bidders, in this offer will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid-Cum- Application Form, for a particular ASBA Bidder, the Registrar to the offer shall ask the relevant SCSBs /RTAs / DPs / stock brokers, as the case may be, for the rectified data.

**In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and the Selling Shareholders in consultation with the BRLMs, for reasons to be recorded in writing, may extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public announcement and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

## **MINIMUM SUBSCRIPTION**

This offer is not restricted to any minimum subscription level. This offer is 100% underwritten per Regulation 260(1) of SEBI ICDR Regulations.

As per Section 39 of the 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 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, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. If there is a delay beyond Two days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum. In the event of an under-subscription in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated in the Offer prior to the Equity Shares offered pursuant to the Offer for Sale.

However, in case of under-subscription in the Offer, after meeting the minimum subscription requirement of 100% of the Fresh Issue, the balance subscription in the Offer will be met in the following order of priority: (i) through the sale of Offered Shares being offered by the Selling Shareholders in the Offer for Sale in a proportional manner; and (ii) through the issuance of balance part of the Fresh Issue.

The Selling Shareholders shall reimburse, severally and not jointly, and only to the extent of the Equity Shares offered by the Selling Shareholders in the Offer, any expenses and interest incurred by our Company on behalf of the Selling Shareholders for any delays in making refunds as required under the Companies Act and any other applicable law, provided that the Selling Shareholders shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of the Selling Shareholders in relation to its portion of the Offered Shares.

The minimum number of allottees in this offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this offer and the monies blocked by the SCSBs shall be unblocked within Two (2) working days of closure of Issue.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our offer shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through this Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000 (Rupees One Lakh) per application.

The Equity Shares have not been and will not 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 application law of such jurisdiction.

The requirement for minimum subscription is not applicable to the Offer for Sale. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, the Allotment for the valid Bids will be made in the following order: (i) In the first instance towards subscription for 90% of the Fresh Issue; (ii) If there remain any balance valid Bids in the Offer, the Allotment for the 397 balance valid Bids will be made: (a) first towards Equity Shares offered by the Selling Shareholders in such manner as specified in the Offer Agreement; and (b) and only then, towards the remaining Equity Shares in the Fresh Issue.

#### **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of 2,000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the NSE Emerge.

#### **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for the lock-in of the pre-offer capital of our Company, lock-in of the Promoters' minimum contribution and the Anchor Investor lock-in as provided in "Capital Structure" beginning on page 65 of this Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see "Main Provisions of the Articles of Association" beginning on page 357 of this 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 Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this 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.

#### **NEW FINANCIAL INSTRUMENTS**

As on the date of this Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Issue.

#### **ALLOTMENT OF SECURITIES IN DEMATERIALISED FORM**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

#### **APPLICATION BY ELIGIBLE NRIS, FPIS OR VCFS REGISTERED WITH SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE**

The current provisions of the Foreign Exchange Management (Transfer or offer 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 offer 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.

#### **MIGRATION TO MAIN BOARD**

In accordance with the NSE Circular dated March 10, 2014, further revised vide circulars dated April 18, 2018 and January 21, 2021 our Company will have to be mandatorily listed and traded on the Emerge Platform of the NSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI(ICDR) Regulations, NSE has reviewed and revised the migration policy effective from April 20, 2023 from NSE Emerge to NSE Main board and has further and revised the migration policy effective from April 20, 2024 from NSE Emerge to NSE Main board vide Circular dated March 07, 2024 as follows.

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the Emerge Platform on a later date subject to the following:

#### **Paid up Capital & Market Capitalisation:**

The paid-up equity capital of the applicant shall not be less than 10 crores and the capitalization of the applicant's equity shall not be less than 25 crores\*\*

\*\* Explanation: For this purpose, capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during 3 months preceding the application date) and the post issue number of equity shares.

#### **Earnings before Interest, Depreciation and Tax (EBITDA) and Profit After Tax (PAT):**

The applicant company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.



**Listing period**

The applicant should have been listed on SME platform of the Exchange for at least 3 years.

**Other Listing conditions**

- The applicant Company has not referred to the Board of Industrial & Financial Reconstruction (BIFR) &/OR No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- The company has not received any winding up petition admitted by a NCLT.
- The net worth\* of the company should be at least 75 crores.
- Net Worth – as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

**Public Shareholders**

Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1000.

**The applicant desirous of listing its securities on the main board of the Exchange should also satisfy the Exchange on the following:**

- The Company should have made disclosures for all material Litigation(s) / dispute(s) / regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner.
- Cooling period of two months from the date the security has come out of trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed.
- Redressal mechanism of Investor grievance.
- PAN and DIN no. of Director(s) of the Company.
- Change in Control of a Company/Utilisation of funds raised from public.

**MARKET MAKING**

The shares Offered through this offer are proposed to be listed on the NSE Emerge with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on NSE Emerge. For further details of the market making arrangement please refer the chapter titled “General Information” beginning on page 53 of this Prospectus.

**PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Red Herring Prospectus with the RoC, Gwalior, publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

## OFFER STRUCTURE

This Offer is being made in terms of Regulation 229 (2) of the Chapter IX of SEBI ICDR Regulations, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than ₹10 crores and up to ₹25 crores, The Company shall offer specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the NSE Emerge). For further details regarding the salient features and terms of such this Issue, please see the chapters titled “*Terms of the offer*” and “*offer Procedure*” beginning on page 311 and 328 respectively, of this Prospectus.

### OFFER STRUCTURE

The Offer is of up to 71,58,000 Equity Shares for cash at a price of ₹ 70/- per Equity Share (including a share premium of ₹ 60/- per Equity Share) aggregating up to ₹ 5,010.60 Lakhs comprising a Fresh Issue of up to 59,40,000 Equity Shares aggregating up to ₹ 4,158 Lakhs and an Offer for Sale of up to 12,18,000 Equity Shares aggregating up to ₹ 852.60 Lakhs by the Selling Shareholders.

The Offer comprises a reservation of 3,58,000 Equity Shares of face value of ₹10/- each for subscription by the designated MarketMaker (“**the Market Maker Reservation Portion**”) and Net Offer to Public of 68,00,000 Equity Shares of face value of ₹10/- each (“**the Net Offer**”). The Offer and the Net Offer will constitute 30.10 % and 28.60 %, respectively of the post Offer paid-up equity share capital of the Company. The Offer is being made through the Book Building Process.

The Offer is being made through the Book Building Process.

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
<b>Number of Equity Shares available for allocation or allotment</b>	3,58,000 Share	20,40,000 Equity Shares	Not less than 20,40,000 Equity Shares available for allocation	Not less than 27,20,000 Equity Shares Available for allocation
<b>Percentage of Offer Size Available for Allocation or allotment</b>	5% of the Offer	30% of the Net Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 30% of the Net Offer	Not less than 40% of Net Offer
<b>Basis of Allotment<sup>(3)</sup></b>	Firm allotment	Proportionate as follows (excluding the Anchor Investor Portion):	Proportionate basis subject to minimum allotment of 2,000 Equity Shares and	Proportionate basis subject to minimum allotment of 2,000 Equity Shares. For

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
		<p>(a) Up to 72,000 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>(b) Up to 13,96,000 Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> <p>(c) Up to 60% of QIB Portion (of upto 12,24,000 Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price</p>	further allotment in multiples of 2,000 Equity Shares. For details, see “Offer Procedure” beginning on page 328 of this Prospectus.	details, see “Offer Procedure” beginning on page 328 of this Prospectus
<b>Mode of Bid</b>	Only through ASBA Process	ASBA only accept for Anchor Investors	Only through ASBA Process	Through ASBA Process Through Banks or by using UPI ID for payment
<b>Mode of Allotment</b>	<b>Compulsorily in Dematerialised Form</b>			
<b>Minimum Bid Size</b>	3,58,000 Share	2,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter	Such number of Equity Shares and in multiples of 2,000 Equity Shares that the Bid Amount exceeds ₹2.00 Lakhs	2,000 Equity Shares
<b>Maximum Bid Size</b>	3,58,000 Share	Such number of Equity Shares in multiples of 2,000 Equity Shares not exceeding the size of the Net Offer, (excluding the Anchor portion), subject to limits applicable to each Bidder	Such number of Equity Shares in multiples of 2,000 Equity Shares not exceeding the size of the Net Offer (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of 2,000 Equity Shares so that the Bid Amount does not exceed ₹2.00 Lakhs
<b>Trading Lot</b>	2,000 Equity Shares, However the Market Maker	2,000 Equity Shares and in multiples thereof	2,000 Equity Shares and in multiples thereof	2,000 Equity Shares and in multiples thereof

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors/Bidders	Retail Individual Investors/Bidders
	may accept odd lots if any in the market as required under the SEBI ICDR Regulations			
Who can apply <sup>(5)</sup>	Market Maker	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, registered with SEBI, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹2500 lakhs , pension fund with minimum corpus of ₹2500 lakhs, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws including FEMA Rules.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, family offices, trusts, FPIs who are individuals, corporate bodies and family offices	Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares such that the Bid amount does not exceed ₹2.00 Lakhs in value
Terms of Payment	<p><b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.</p> <p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids<sup>(6)</sup></p>			

(1) Our Company and Selling Shareholders in consultation with the Book Running Lead Manager, may allocate up to

60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹200.00 Lakhs, (ii) minimum of two and maximum of fifteen Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 Lakhs under the Anchor Investor Portion, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor, and (iii) in case of allocation above ₹2,500.00 Lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of fifteen Anchor Investors for allocation up to ₹2,500.00 Lakhs, and an additional ten Anchor Investors for every additional ₹2,500.00 Lakhs or part thereof will be permitted, subject to minimum allotment of ₹100.00 Lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹200.00 Lakhs. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors.

(2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI ICDR Regulations, this is an Offer for at least 25% of the post Offer paid-up Equity share capital of the Company. This Offer is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI ICDR Regulations.

(3) Subject to valid Bids being received at or above the Offer Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company and Selling Shareholders in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

(4) Anchor Investors are not permitted to use the ASBA process

(5) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

(6) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

(7) SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the Bidders. Accordingly, Stock Exchanges shall, for all categories of Bidders viz. QIBs, NIBs and RIBs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

The Bids by FPIs with certain structures as described under “Offer Procedure” on page 328 of this Prospectus and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see “Terms of the Offer” on page 311

**In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional**

**Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public announcement and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.**

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

## OFFER PROCEDURE

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by UPI Bidders. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in Allotment or refund.

SEBI through the UPI Circulars no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by UPI Bidders through intermediaries from January 1, 2019. The UPI Mechanism for UPI Bidders applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days (**UPI Phase I**).

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**"), and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023.

The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, had introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Subsequently, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). These circulars are effective for initial public offers opening on or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Prospectus.

*In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBIRTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide the SEBI master circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, has reduced the timelines for refund of Application money to four days.*

*The Book Running Lead Manager shall be the nodal entity for any issues arising out of public issuance process.*

*Our Company, the Selling Shareholder and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.*

*Further, our Company, the Selling Shareholder and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.*

*Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system till listing/ trading effective date. Pursuant to the aforementioned circulars, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of the Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Offer shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/ frozen ISIN by submitting requisite documents to our Company and/ or the Registrar. Our Company and/ or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Offer Opening Date.*

## **BOOK BUILDING PROCEDURE**

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 30% of the Net Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and Selling Shareholders in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. In the event of under- subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 30% of the Net Offer shall be available for allocation to Non-Institutional Investors, of which one-third shall be available for allocation to Bidders with an application size more than ₹ 200,000 to ₹ 1,000,000 and two-thirds shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000 in accordance with the SEBI ICDR Regulations, and not less than 40% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.



Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company and Selling Shareholders in consultation with the Book Running Lead Manager, and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories. In case of an undersubscription in the Net Offer, the Equity Shares proposed for sale by the Selling Shareholder shall be in proportion to the Offered Shares by the Selling Shareholder.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020, press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

**Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the IPO, subject to applicable law.**

#### PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE

SEBI has issued the UPI Circulars in relation to streamlining the process of public Offer of, inter alia, equity shares. Pursuant to the SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI Circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 ("Previous UPI Circulars") and the UPI Circulars; the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public Offer closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public offer closure to listing continued to be six Working Days. For further details, refer to the General Information Document available on the website of the Stock Exchange and the Book Running Lead Manager.

**Phase II:** This phase has become applicable from July 1, 2019. and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public offer closure to listing continues to be six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public offer closure to listing has been reduced from six Working Days to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

**The offer is being made under Phase III of the UPI:**

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as the Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

**The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Prospectus as “QIBs”) pursuant to Section 4(a) of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulations 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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

#### **ELECTRONIC REGISTRATION OF BIDS**

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange and as disclosed in the Prospectus.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

#### **BID CUM APPLICATION FORM**

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres and our Registered Office. An electronic copy of the ASBA Form will also be available for download on the respective websites of the Stock Exchange ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the Book Running Lead Manager.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. UPI Bidders are mandatorily required to use the UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

RIBs Bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum ApplicationForm and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (including Bidders using UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected or the UPI ID, as applicable, in the relevant space provided in the ASBA Form. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

Since the Offer is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- (i) UPI Bidders may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), providedby certain brokers.

- (ii) (QIBs and Non-Institutional Bidders (other than Non-Institutional Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-Syndicate members, Registered Brokers, RTAs or CDPs. UPI Bidders authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The upload of the details in the electronic bidding system of stock exchange will be done by:

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application form*
Resident Indians, including QIBs, Non-institutional Investors and Retail Individual Bidders, each resident in India and Eligible NRIs applying on a non-repatriation basis.	White
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors**	White

\* Excluding electronic Bid cum Application Form.

\*\* Bid cum Application Forms for Anchor Investors will be made available at the office of the Book Running Lead Manager. Electronic Bid cum Application forms will also be available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com)).

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis to enable the Sponsor Banks to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

The Sponsor Banks shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI mandate request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI mandate requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm IST on the Bid/ Issue Closing Date ("Cut-Off Time").

Accordingly, UPI Bidders should accept UPI mandate requests for blocking off funds prior to the Cut-Off Time and all pending UPI mandate requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Offer shall provide the audit trail to the Book Running Lead Manager for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 read with the SEBI RTA Master Circular.

Pursuant to NSE circular dated July 22, 2022 with reference no. 23/2022 and BSE circular dated July 22, 2022 with reference no. 20220722-30, has mandated that trading members, Syndicate Members, RTA and Depository Participants shall submit Syndicate ASBA bids above ₹ 500,000 and NII and QIB bids above ₹ 200,000, through SCSBs only.

The Sponsor Banks will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Banks will undertake reconciliation of all Bid requests and responses throughout their lifecycle on a daily basis and share reports with the Book Running Lead Manager in the format and within the timelines as specified under the UPI Circulars. Sponsor Banks and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

### **Who Can Apply?**

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

1. Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional investor's category;

10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
11. Foreign Venture Capital Investors registered with the SEBI;
12. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
13. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
15. Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
16. Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
17. 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;
18. Insurance funds set up and managed by army, navy or air force of the Union of India;
19. Multilateral and bilateral development financial institution;
20. Eligible QFIs;
21. Insurance funds set up and managed by army, navy or air force of the Union of India;
22. Insurance funds set up and managed by the Department of Posts, India;
23. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.
24. Applications not to be made by:
  - (a) Minors (except through their Guardians)
  - (b) Partnership firms or their nominations
  - (c) Foreign Nationals (except NRIs)
  - (d) Overseas Corporate Bodies

**PARTICIPATION BY PROMOTERS, PROMOTER GROUP, THE BOOK RUNNING LEAD MANAGER, THE SYNDICATE MEMBERS AND PERSONS RELATED TO PROMOTERS/PROMOTER GROUP/THE BOOK RUNNING LEAD MANAGER**

The Book Running Lead Manager and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis or in any other manner as introduced under applicable laws, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Book Running Lead Manager and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Manager nor any associate of the Book Running Lead Manager can apply in the Offer under the Anchor Investor Portion:

- (i) mutual funds sponsored by entities which are associate of the Book Running Lead Manager;

- (ii) insurance companies promoted by entities which are associate of the Book Running Lead Manager;
- (iii) AIFs sponsored by the entities which are associate of the Book Running Lead Manager; or
- (iv) FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the Book Running Lead Manager.

Further, an Anchor Investor shall be deemed to be an “associate of the Book Running Lead Manager” if:

- (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or
- (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or
- (iii) there is a common director, excluding nominee director, amongst the Anchor Investors, the Book Running Lead Manager.

**Except to the extent of participation in the Offer for Sale by the Promoter, the Promoter Group will not participate in the Offer.**

## **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any single company, provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

## **BIDS BY ELIGIBLE NON-RESIDENT INDIANS**

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB to block their NRE accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSB to block their NRO accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying on a non-repatriation basis in the Offer through the UPI Mechanism are advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed



10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the members of the Indian company in a general meeting.

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

For details of restrictions on investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 355 of this Prospectus.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

#### **BIDS BY HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/ Application Form as follows: “Name of sole or first Bidder:

XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids/Applications by HUFs may be considered at par with Bids from individuals.

#### **BIDS BY FPIs**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post-offer Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the offer are advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

As specified in 4.1.4.2 (b)(i) and 4.1.4.2 (c)(iv) of the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (“**MIM Structure**”), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids are liable to be rejected. Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments (“**ODI**”)

which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

With effect from the April 1, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24%, 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%.

FPIs are permitted to participate in the offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- (a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the offer shall be subject to the FEMA Rules

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form *"exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Prospectus."*

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the "FPI Group") shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital shall be liable to be rejected.

#### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹2,500.00 lakhs and pension funds with a minimum corpus of ₹2,500.00 lakhs (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 Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company and the Selling Shareholders in consultation with the Book Running Lead Manager in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

#### **BIDS BY SEBI REGISTERED VCFs, AIFs AND FVCIs**

The SEBI FVCI Regulations, inter alia, prescribe the investment restrictions on VCFs and FVCIs 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, subject to FEMA Rules, VCFs and FVCIs can invest only up to 33.33% of their investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the offer shall be subject to the FEMA Rules.

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY BANKING COMPANIES**

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

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 Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves. 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 excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

#### **BIDS BY SCSBs**

SCSBs participating in the offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholders in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("IRDAI Investment Regulations"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds with minimum corpus of ₹2,500.00 lakhs, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholders in consultation with the Book Running Lead Manager, reserve the right to reject any Bid, without assigning any reason thereof.

#### **BIDS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholders in consultation with the Book Running Lead Manager, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time

#### **BIDS BY ANCHOR INVESTORS**

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below.

- 1) Anchor Investor Application Forms will be made available for the Anchor Investors Portion at the offices of the Book Running Lead Manager.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of

₹200.00 lakhs.

- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ offer Opening Date and be completed on the same day.
- 5) Our Company and the Selling Shareholders in consultation with the Book Running Lead Manager, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than ₹2,500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to ₹2,500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹2,500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the Book Running Lead Manager before the Bid/ offer Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.

- 9) The Equity Shares Allotted in the Anchor Investor Portion will be locked in, in accordance with the SEBI ICDR Regulations. 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- 10) Neither the (a) Book Running Lead Manager or any associate of the Book Running Lead Manager (other than mutual funds sponsored by entities which are associate of the Book Running Lead Manager or insurance companies promoted by entities which are associate of the Book Running Lead Manager or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Manager or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Manager) nor (b) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply under the Anchor Investors category.

For more information, please read the General Information Document.

**The information set out above is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as will be specified in the Prospectus.**

### **Information for Bidders**

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he/she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

### **GENERAL INSTRUCTIONS**

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid Period and withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid Period.

#### **Do's:**

1. Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that your PAN is linked with Aadhaar and you are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021

3. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
4. Ensure that you have Bid within the Price Band;
5. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
6. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder in the Bid cum Application Form and if you are a UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;
8. UPI Bidders Bidding in the Offer shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party
9. UPI Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;
10. Ensure that you mandatorily have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
11. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;
12. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
13. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
14. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment.
15. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper

upload of your Bid in the electronic Bidding system of the Stock Exchanges;

18. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;
19. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
20. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.
21. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
22. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and PAN available in the Depository database;
23. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in));
24. Ensure that you have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
25. Ensure that the Demographic Details are updated, true and correct in all respects;
26. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Issue, which is UPI 2.0 certified by NPCI;
27. Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, once the Sponsor Banks issues the Mandate Request, the RIBs would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
28. Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI pin. Upon the authorization of the mandate using his/her UPI pin, a UPI Bidder Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the RIB Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Banks offer a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;



29. UPI Bidders should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;
30. UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Banks to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner;
31. Bids by Eligible NRIs for a Bid Amount of less than ₹2.00 lakhs would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹2.00 lakhs would be considered under the Non- Institutional Category for allocation in the Issue;
32. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019; and
33. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date.
34. The ASBA bidders shall ensure that bids above ₹5.00 lakhs, are uploaded only by the SCSBs.

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.**

#### **Don'ts:**

1. Do not Bid for lower than the minimum Bid Lot;
2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
3. Do not Bid for a Bid Amount exceeding ₹2.00 lakhs (for Bids by RIBs) and ₹5.00 lakhs for Bids by Eligible Employees Bidding in the Employee Reservation Portion;
4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
5. Do not Bid/ revise the Bid amount to less than the Floor Price or higher than the Cap Price;
6. Do not pay the Bid Amount in cheques, demands or by cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
12. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
13. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having

valid depository accounts as per Demographic Details provided by the depository);

14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
15. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
16. In case of ASBA Bidders (other than UPI Bidders using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;
17. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
18. Anchor Investors should not bid through the ASBA process;
19. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;
20. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
21. Do not submit the GIR number instead of the PAN;
22. Anchor Investors should submit Anchor Investor Application Form only to the Book Running Lead Manager;
23. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
24. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/ Offer Closing Date;
25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders or Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;
26. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are a UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
27. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a UPI Bidder. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Issue;
29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
30. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
31. Do not Bid if you are an OCB;
32. UPI Bidders using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected; and
33. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders.
34. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹5.00 lakhs;

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

For helpline details of the BRLMs pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “General Information – Book Running Lead Manager” on page 53. Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Chief Compliance Officer. For details of the Company Secretary and Compliance Officer, see “General Information – Company Secretary and Compliance Officer” on page 53. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding the prescribed Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI Master Circular no. SEBI/HO/MIRSD/POD- 1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. The BRLM shall be the nodal entity for any issues arising out of public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and the BRLM shall continue to coordinate with intermediaries involved in the said process.

#### **GROUND FOR TECHNICAL REJECTION**

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Banks);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. ASBA Form by the RIBs by using third party bank accounts or using third party linked bank account UPI IDs;
10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/22/2010 dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Bids by RIBs with Bid Amount of a value of more than ₹2.00 lakhs;
13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Bids accompanied by stock invest, money order, postal order or cash; and
15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges. On the Bid/ Offer Closing Date, extension

of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Bidders, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid-cum-Application Forms as stated herein and as informed to the Stock Exchanges.

Further, in case of any pre- offer or post offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance officer. For details of the Company Secretary and Compliance officer, see “General Information” beginning on page 53 of this Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

## **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to Red Herring Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis.

### **Flow of Events from the closure of bidding period (T DAY) Till Allotment:**

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/comments.
- Post rejection, the RTA submits the basis of allotment post review by BRLM with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

### **Process for generating list of allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 312 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.

- On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advise the SCSBs to debit or unblock the respective accounts.

Allotment will be made in consultation with NSE (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 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).

For applications where the proportionate allotment works out to less than 2,000 equity shares the allotment will be made as follows:

Each successful applicant shall be allotted 2,000 equity shares; and

The successful applicants out of the total applicants for that category shall be determined by the draw 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

If the proportionate allotment to an applicant works out to a number that is not a multiple of 2,000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 2,000 equity shares subject to a minimum allotment of 2,000 equity shares.

If the Shares allocated 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.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Offer, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Offer size as specified shall be achieved before our Company proceeds to get the basis of allotment approved by the Stock Exchange

#### **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 Book Running Lead Manager 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.

#### **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE OFFERS**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

#### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of

SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### **Terms of payment**

The entire Offer price of ₹ 70/- 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 Bidders.

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 Bidders 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 Bidders.

### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSBs shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME**

Our Company will not make any allotment in excess of the Equity Shares offered through this Offer document.

The allotment of Equity Shares to bidders other than to the RIBs, NIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion and the remaining available shares, if any, shall be allotted on a proportionate basis. Further, not less than 15% of the Net offer shall be available for allocation to Non-Institutional Bidders

in accordance with the SEBI ICDR Regulations. Further, the allocation to each Non-Institutional Investor shall not be less than Minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

### **PAYMENT INTO ANCHOR INVESTOR ESCROW ACCOUNTS**

Our Company and the selling shareholders in consultation with the Book Running Lead Manager will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favor of:

- (a) In case of resident Anchor Investors: “BALAJI PHOSPHATES LTD-ANCHOR RESIDENT ACCOUNT”
- (b) In case of Non-Resident Anchor Investors: “BALAJI PHOSPHATES LTD-ANCHOR NON RESIDENT ACCOUNT”
- (c)

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

## **PRE- OFFER ADVERTISEMENT**

Subject to Section 30 of the Companies Act, our Company shall, after filing the Prospectus with the RoC, publish a pre- offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of English national daily newspaper, Financial Express, all editions of Hindi national daily newspaper, Jansatta and Indore editions of Indore Samachar, the Hindi daily newspaper (Hindi being the regional language of Madhya Pradesh where our Registered Office is located) each with wide circulation.

In the pre- offer advertisement, we shall state the Bid/ Offer Opening Date and the Bid/ Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

## **ALLOTMENT ADVERTISEMENT**

Our Company and the Selling Shareholders the Book Running Lead Manager and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of English national daily newspaper, Financial Express, all editions of Hindi national daily newspaper, Jansatta and Indore edition of the Hindi daily newspaper Indore Samachar (Hindi being the regional language of Madhya Pradesh, where our Registered Office is located) each with wide circulation.

**The information set out above is given for the benefit of the Bidders. Our Company, the Book Running 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 Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.**

## **SIGNING OF THE UNDERWRITING AGREEMENT AND FILING WITH THE ROC**

Our company has entered into an Underwriting Agreement dated February 19, 2025.

After signing the Underwriting Agreement, an updated Prospectus will be filed with the RoC in accordance with applicable law, which would then be termed as the Prospectus. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and will be complete in all material respects.

## **Depository Arrangements**

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see “*Terms of the Offer*” on page 311.

## **IMPERSONATION**

**Attention of the bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:**

**“Any person who:**

- a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹10.00 lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹10.00 lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹50.00 lakhs or with both.

#### **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders. the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/ Offer Closing Date or such other period as may be prescribed;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within three Working Days from the Bid/ Offer Closing Date or such other prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- Promoters' contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- that if our Company does not proceed with the Offer after the Bid/ Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly;

#### **UNDERTAKINGS BY THE SELLING SHAREHOLDERS**

Each Selling Shareholders severally and not jointly, in respect of itself as a Selling Shareholders and its portion of the Equity Shares offered by it in the Offer, undertakes the following in respect of itself and its respective portion of the Offered Shares:



- its Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;
- it shall provide reasonable cooperation to our Company in relation to the Offered Shares, (a) for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges, and/or (b) refund orders (if applicable);
- that it shall provide such reasonable assistance to our Company and the BRLMs in redressal of such investor grievance that pertain to the respective portion of the Offered Shares;
- it shall deposit its portion of Offered Shares in an escrow demat account in accordance with the Share Escrow Agreement;
- it is the legal and beneficial owner of the Offered Shares that such Offered Shares shall be transferred in the Offer, free from liens, charges and encumbrances; and
- it shall not have recourse to the proceeds of the Offer, which shall be held in escrow in its favour, until the final approval for listing and trading of the Equity Shares from the Stock Exchanges where listing is sought has been received.

#### **UTILISATION OF OFFER PROCEEDS**

Our Company and the Selling Shareholders, severally and not jointly, specifically confirm that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

Details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Net Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investors required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (*earlier known as Department of Industrial Policy and Promotion*) (“**DPIIT**”), issued the FDI Policy, which is effective from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. The FDI Policy will be valid until the DPIIT issues an updated circular. Up to 100% foreign investment under the automatic route is currently permitted for our Company.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guideline sprescribed by the SEBI/RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, see “**Offer Procedure**” on page 328, respectively.

As per the existing policy of the Government of India, Overseas corporate body (OCBs) cannot participate in this Issue. For further details, see “**Offer Procedure**” on page 328

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Instruments Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non-Debt Instruments Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of 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 Bids 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 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.**

For further details, see “*Offer Procedure*” beginning on page 328 of this Prospectus.

## **CHAPTER IX - MAIN PROVISION OF ARTICLES OF ASSOCIATION**

### **COMPANIES ACT, 2013 (COMPANY LIMITED BY SHARES) \* ARTICLES OF ASSOCIATION OF BALAJI PHOSPHATES LIMITED**

#### **Interpretation**

In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context.

(a) The Act means the Companies Act 2013 and includes any statutory modification or re-enactment thereof for the time being in force

(b) These Articles means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.

(c) Auditors means and includes those persons appointed as such for the time being of the Company.

(d) Capital means the share capital for the time being raised or authorized to be raised for the purpose of the Company.

(e) The Company shall mean BALAJI PHOSPHATES LIMITED

(f) Executor or Administrator means a person who has obtained a probate or letter of administration as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act 1963.

(g) Legal Representative means a person who in law represents the estate of a deceased Member.

(h) Words importing the masculine gender also include the feminine gender.

(i) In Writing and written includes printing lithography and other modes of representing or reproducing words in a visible form.

(j) The marginal notes hereto shall not affect the construction thereof.

(k) Meeting or General Meeting means a meeting of members.

(l) Month means a calendar month.

(m) Annual General Meeting means a General Meeting of the Members held in accordance with the provision of section 96 of the Act

(n) Extra-Ordinary General Meeting means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.

(o) National Holiday means and includes a day declared as National Holiday by the Central Government.

(p) Non-retiring Directors means a director not subject to retirement by rotation.

(q) Office means the registered Office for the time being of the Company.

(r) Ordinary Resolution and Special Resolution shall have the meanings assigned thereto by Section 114 of the Act

(s) Person shall be deemed to include corporations and firms as well as individuals.

(t) Proxy means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.

(u) The Register of Members means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.

(v) Seal means the common seal for the time being of the Company.

(w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.

- (x) The Statutes means the Companies Act 2013 and every other Act for the time being in force affecting the Company.
- (y) The presents means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.
- (z) Variation shall include abrogation and vary shall include abrogate. (aa) Year means the calendar year and Financial Year shall have the meaning assigned thereto by Section 2(41) of the act. Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.

### **Share Capital and Variation of rights**

- Authorized Capital-The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time. Increase of capital by the Company how carried into effect The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.
- New Capital same as existing capital Except so far as otherwise provided by the conditions of issue or by these Presents any capital raised by the creation of new Shares shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments forfeiture lien surrender transfer and transmission voting and otherwise. Non-Voting Shares the Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia dividends eligibility volume quantum proportion and other terms and conditions as they deem fit subject however to provisions of law rules regulations notifications and enforceable guidelines for the time being in force.
- Redeemable Preference Shares Subject to the provisions of the Act and these Articles the Board of Directors may issue redeemable preference shares to such persons on such terms and conditions and at such times as Directors think fit either at premium or at par and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par such option being exercisable at such times and for such consideration as the Board thinks fit.
- Voting rights of preference shares the holder of Preference Shares shall have a right to vote only on Resolutions which directly affect the rights attached to his Preference Shares.
- Provisions to apply on issue of Redeemable Preference Shares On the issue of redeemable preference shares under the provisions of Article 7 hereof the following provisions shall take effect
  - No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption
  - (b) No such Shares shall be redeemed unless they are fully paid
  - (c) Subject to section 55(2)(d)(i) the premium if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account before the Shares are redeemed
  - (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue there shall out of profits which would otherwise have been available for dividend be transferred to a reserve fund to be called the Capital Redemption Reserve Account a sum equal to the nominal amount of the Shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company and (e) Subject to the provisions of Section 55 of the Act the redemption of preference shares Here under may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital.
- Reduction of capital The Company may (subject to the provisions of sections 52 55 66 both inclusive and other applicable provisions if any of the Act) from time to time by Special Resolution reduce
  - (a) the share capital

- (b) any capital redemption reserve account or
  - (c) any security premium account in any manner for the time being authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.
- **Debentures** Any debentures debenture-stock or other securities may be issued at a discount premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption surrender drawing allotment of shares attending (but not voting) at the General Meeting appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution
  - **Issue of Sweat Equity Shares**-The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed there under. **ESOP** The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow under Employee Stock Option Scheme (ESOP) or any other scheme if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act the Rules and applicable guidelines made there under by whatever name called. **Buy Back of shares** 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 **Consolidation Sub-Division And Cancellation** Subject to the provisions of Section 61 of the Act the Company in general meeting may from time to time sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum subject nevertheless to the provisions of clause (d) of sub-section (1) of Section 61 Subject as aforesaid the Company in general meeting may also cancel shares which 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. **Issue of Depository Receipts** Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country. **Issue of Securities** Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed there under.

## **Lien**

- **Company to have Lien on shares** The Company shall have a first and paramount lien upon all the shares debentures (other than fully paid-up shares debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares debentures. Unless otherwise agreed the registration of a transfer of shares debentures shall operate as a waiver of the Company's lien if any on such shares debentures. The Directors may at any time declare any shares debentures wholly or in part to be exempt from the provisions of this clause.
- **As to enforcing lien by sale** For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment fulfillment of discharge of such debts liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorize some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.
- **Application of proceeds of sale**-The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue if any shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

- The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue if any shall subject to a like lien for sums not presently payable as existed upon the shares before the sale be paid to the person entitled to the shares at the date of the sale.

## **Calls on shares**

Directors may make calls

- (1) The Board may from time to time subject to the terms on which any shares may have been issued and subject to the conditions of allotment by a resolution passed at a meeting of the Board and not by a circular resolution make such calls as it thinks fit upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.
- (2) A call may be revoked or postponed at the discretion of the Board.
- (3) A call may be made payable by instalments.
- Notice of Calls Fifteen day notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid.
- Calls to date from resolution A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorizing such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.
- Calls on uniform basis Whenever any calls for further share capital are made on shares such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.
- Directors may extend time The Board may from time to time at its discretion extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause which the Board may deem fairly entitled to such extension but no member shall be entitled to such extension save as a matter of grace and favour.
- Calls to carry interest If any Member fails to pay any call due from him on the day appointed for payment thereof or any such extension thereof as aforesaid he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21 per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member. Sums deemed to be calls If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly. Proof on trial of suit for money due on shares On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt. Judgment decree partial payment motto proceed for forfeiture Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of 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 forfeiture of such shares as hereinafter provided. Payments in Anticipation of calls may carry interest

- (a) The Board may if it thinks fit receive from any Member willing to advance the same all or any part of the amounts of his respective shares beyond the sums actually called up and upon the moneys so paid in advance or upon so much thereof from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three month notice in writing provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.
- (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.

## **Transfer of shares**

- Execution of the instrument of shares
  - (a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.
  - (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.
- Transfer Form The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange.
- Transfer not to be registered except on production of instrument of transfer The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name address and occupation if any of the transferee has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares Provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost the Company may register the transfer on such terms as to indemnity as the Board may think fit provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.
- Directors may refuse to register transfer Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act 1956 the Directors may decline to register

(a) any transfer of shares on which the company has a lien. That registration of transfer shall however not be refused on the ground of the transfer or being either alone or jointly with any other person or persons indebted to the Company on any account what so ever Notice of refusal to be given to transferor and transferee If the Company refuses to register the transfer of any share or transmission of any right there in the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission as the case may be and there upon the provisions of Section 56 of the Act or any statutory transmission Probate Succession Certificate and letter of administration Certificate of Death or Marriage Power of Attorney or similar other document with the Company. Closure of Register of Members or debenture holder or other security holders The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and or the Register of debentures holders and or other security holders at such time or times and for such period or periods not exceeding thirty days at a time and not exceeding in the aggregate forty five days at a time and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board. Custody of transfer Deeds The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the



same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine. Application for transfer of partly paid shares Where an application of transfer relates to partly paid shares the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice. Notice to transferee-For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post speed post courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post. Recognition of legal representative

(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 person recognized by the Company as having any title to his interest in the shares.

(b) Before recognizing any executor or administrator or legal representative the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit it shall be lawful for the Board to dispense with the production of Probate or letter of administration or such other legal representation upon such terms as to indemnity or otherwise as the Board in its absolute discretion may consider adequate

(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons. modification thereof for the time being in force shall apply. No fee

on transfer No fee shall be charged for registration of transfer

### **Transmission of shares**

- Titles of Shares of deceased Member The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act
- Notice of application when to be given Where in case of partly paid Shares an application for registration is made by the transfer or the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.
- Registration of persons entitled to share otherwise than by transfer. (transmission clause) Subject to the provisions of the Act and these Articles any person becoming entitled to any share in consequence of the death lunacy bankruptcy insolvency of any member or by any lawful means other than by a transfer in accordance with these presents may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the Transmission Clause.
- Refusal to register nominee Subject to the provisions of the Act and these Articles the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.
- Board may require evidence of transmission every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity. Company not liable for disregard of a notice prohibiting registration of transfer The Company shall incur no liability or responsibility

whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right title or interest to or in the same 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 require to regard or attend or give effect to any notice which may be given to them of any equitable right title or interest or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Directors shall so think fit. Form of transfer Outside India In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit. No transfer to insolvent etc. No transfer shall be made to any minor insolvent or person of unsound mind.

### **Forfeiture of shares**

- If call or installment not paid notice may be given If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same the Directors may at any time thereafter during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part serve a notice on such Member or on the person (if any) entitled to the shares by transmission requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India for the time being in force.
- Terms of notice the notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place or places appointed the shares in respect of which the call was made or installment is payable will be liable to be forfeited.
- On default of payment shares to be forfeited If the requirements of any such notice as aforesaid shall not be complied with every or any share in respect of which such notice has been given may at any time thereafter but before payment of all calls or installments interest and expenses due in respect thereof be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.
- Notice of forfeiture to a Member When any shares have been forfeited notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof shall forthwith be made in the Register of Members.
- Forfeited shares to be property of the Company and may be sold etc. Any shares so forfeited shall be deemed to be the property of the Company and may be sold re-allotted or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board in their absolute discretion shall think fit.
- Members still liable to pay money owing at time of forfeiture and interest Any Member whose shares have been forfeited shall notwithstanding the forfeiture be liable to pay and shall forthwith pay to the Company on demand all calls installments interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce the

payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture but shall not be under any obligation to do so.

- **Effect of forfeiture** The forfeiture shares shall involve extinction at the time of the forfeiture of all interest in all claims and demand against the Company in respect of the share and all other rights incidental to the share except only such of those rights as by these Articles are expressly saved.  
**Evidence of Forfeiture** A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles 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 shares.  
**Title of purchaser and allottee of Forfeited shares** The Company may receive the consideration if any given for the share on any sale re-allotment or other disposition thereof and the person to whom such share is sold re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration if any nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture sale re-allotment or other disposal of the shares.  
**Cancellation of share certificate in respect of forfeited shares** Upon any sale re-allotment or other disposal under the provisions of the preceding Article 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 and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto. Forfeiture may be remitted In the meantime and until any share so forfeited shall be sold re- allotted or otherwise dealt with as aforesaid the forfeiture thereof may at the discretion and by a resolution of the Directors be remitted as a matter of grace and favour and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same or on any other terms which the Director may deem reasonable.  
**Validity of sale** Upon any sale after forfeiture or for enforcing a lien in purporte exercise of the powers herein before given the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchasers name to be entered in the Register of Members in respect of the Shares sold and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money and after his name has been entered in the Register of Members in respect of such Shares the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.  
**Surrender of shares** The Directors may subject to the provisions of the Act accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.

### **Alteration of capital**

- The company may from time to time by ordinary resolution increase the share capital by such sum to be divided into shares of such amount as may be specified in the resolution.
- Subject to the provisions of section 61 the company may by ordinary resolution consolidate and divide all or any of its share capital into shares of larger amount than its existing shares convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person.
- Where shares are converted into stock 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 that the Board may from time to time fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose. The holders of stock shall according to the amount of stock held by them have the same rights privileges and advantages as regards dividends voting at meetings of the company and other matters as if they held the shares from which the stock arose but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not if existing in shares

have conferred that privilege or advantage. such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words share and shareholder in those regulations shall include stock and stock-holder respectively.

- The company may by special resolution reduce in any manner and with and subject to any incident authorized and consent required by law its share capital any capital redemption reserve account or any share premium account

### **Capitalization of profits**

(i) The company in general meeting may upon the recommendation of the Board resolve that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution and that such sum be accordingly set free for distribution in the manner specified in clause

(ii) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions. The sum aforesaid shall not be paid in cash but shall be applied subject to the provision contained in clause

(iii) either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively 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 partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B) A securities premium account and a capital redemption reserve account may for the purposes of this regulation be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

- Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares if any and generally do all acts and things required to give effect thereto. The Board shall have power to make such provisions by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit for the case of shares becoming distributable in fractions and to authorize any person to enter on behalf of all the members entitled thereto into an agreement with the company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalization or as the case may require for the payment by the company on their behalf by the application thereto of their respective proportions of profits resolved to be capitalized of the amount or any part of the amounts remaining unpaid on their existing shares Any agreement made under such authority shall be effective and binding on such members.

### **Buy-back of shares**

- 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 meetings**

- Distinction between AGM EGM All the General Meetings of the Company other than Annual General Meetings shall be called Extra- ordinary General Meetings. Extra-Ordinary General Meeting by Board and by requisition The Directors may whenever they think fit convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act forthwith proceed to convene Extra-Ordinary General Meeting of the members
- When a Director or any two Members may call an Extra Ordinary General Meeting If at any time there are not within India sufficient Directors capable of acting to form a quorum or if the number of

Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.

### **Proceedings at general meetings**

- Meeting not to transact business not mentioned in notice No General Meeting Annual or Extraordinary shall be competent to enter upon discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.
- Chairman of General Meeting the Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors or if at any meeting, he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair then the Members present shall elect another Director as Chairman and if no Director be present or if all the Directors present decline to take the chair, then the Members present shall elect one of the members to be the Chairman of the meeting.
- Business confined to election of Chairman whilst chair is vacant No business except the election of a Chairman shall be discussed at any General Meeting whilst the Chair is vacant.
- Chairmans casting vote in the case of an equality of votes the Chairman shall both on a show of hands on a poll (if any) and e-voting have casting vote in addition to the vote or votes to which he may be entitled as a Member.
- Demand for poll not to prevent transaction of other business The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

### **Adjournment of meeting**

- Chairman with consent may adjourn meeting
  - a) The Chairperson 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 from place to place.
  - b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
  - c) When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting.
  - d) Save as aforesaid and as provided in section 103 of the Act it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. In what case poll taken without adjournment Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.

### **Voting rights**

- Members in arrears not to vote No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands upon a poll or electronically or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right or lien. Number of votes each member entitled Subject to the provision of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company every Member not disqualified by the last preceding Article shall be entitled to be present and to speak and to vote at such meeting and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in

person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company Provided however if any preference shareholder is present at any meeting of the Company save as provided in sub-section (2) of Section 47 of the Act he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares. Casting of votes by a member entitled to more than one vote on a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him as the case may be need not if he votes use all his votes or cast in the same way all the votes he uses. Vote of member of unsound mind and of minor A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy or a minor 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. Postal Ballot Notwithstanding anything contained in the provisions of the Companies Act 2013 and the Rules made there under the Company may and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time declare to be conducted only by postal ballot shall get any such business resolutions passed by means of postal ballot instead of transacting the business in the General Meeting of the Company. E-Voting A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once. Votes of joint members

(a) 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. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joint holders thereof.

(b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members. Votes may be given by proxy or by representative Votes may be given either personally or by attorney or by proxy or in case of a company by a representative duly authorized as mentioned in Articles Representation of a body corporate A body corporate (whether a company within the meaning of the Act or not) may if it is member or creditor of the Company (including being a holder of debentures) authorize such person by resolution of its Board of Directors as it thinks fit in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorized by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member creditor or holder of debentures of the Company. Members paying money in advance

- A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up shall not be entitled to any voting rights in respect of the moneys paid until the same would but for this payment become presently payable. Members not prohibited if share not held for any specified period
- A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken. Votes in respect of shares of deceased or insolvent members Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof. No votes by proxy on show of hands No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body corporate present by a representative duly Authorized under the provisions of the Act in which case such members attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment. Appointment of a Proxy The instrument appointing a proxy and the power-of-attorney or other authority if any under which it is signed or a notarized copy of that power or authority shall be deposited at the registered office

of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote 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. Form of proxy An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105. Validity of votes given by proxy notwithstanding death of a member A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member or revocation of the proxy or of any power of attorney which such proxy signed or the transfer of the share in respect of which the vote is given provided that no intimation in writing of the death or insanity revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used. Time for objections to votes 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. Chairperson of the Meeting to be the judge of validity of any vote Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting whose decision shall be final and conclusive.

- A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once. 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 stand in the register of members.
- 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.
- Any business other than that upon which a poll has been demanded maybe proceeded with pending the taking of the poll.
- No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- 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. Any such objection made in due time shall be referred to the Chairperson of the meeting whose decision shall be final and conclusive.

### **Proxy**

- The instrument appointing a proxy and the power-of-attorney or other authority if any under which it is signed or a notarized copy of that power or authority shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote 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.
- An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
- 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**

- The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.
- The remuneration of the directors shall in so far as it consists of a monthly payment be deemed to accrue from day-to-day. In addition to the remuneration payable to them in pursuance of the Act the directors may be paid all travelling hotel and other expenses properly incurred by them in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company or in connection with the business of the company.
- The Board may pay all expenses incurred in getting up and registering the company.
- The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
- All cheques promissory notes 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.
- Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
- 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.

### **Proceedings of the Board**

- The Board of Directors may meet for the conduct of business adjourn and otherwise regulate its meetings as it thinks fit. A director may and the manager or secretary on the requisition of a director shall at any time summon a meeting of the Board.
- Save as otherwise expressly provided in the Act questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes the Chairperson of the Board if any shall have a second or casting vote.
- The continuing directors may act notwithstanding any vacancy in the Board but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum or of summoning a general meeting of the company but for no other purpose.
- The Board may elect a chairperson of its meetings and determine the period for which he is to hold office. If no such Chairperson is elected or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting the directors present may choose one of their number to be Chairperson of the meeting.
- The Board may subject to the provisions of the Act delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board.
- A committee may elect a chairperson of its meetings. If no such Chairperson is elected or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting the members present may choose one of their members to be Chairperson of the meeting.



- A committee may meet and adjourn as it thinks fit. 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 Chairperson shall have a second or casting vote.
- All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid or that they or any of them were disqualified be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
- Save as otherwise expressly provided in the Act a resolution in writing signed by all the members of the Board or of a committee thereof for the time being entitled to receive notice of a meeting of the Board or committee shall be valid and effective as if it had been passed at a meeting of the Board or committee duly convened and held.
- In case of a One Person Company where the company is having only one director all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118 such minutes book shall be signed and dated by the director the resolution shall become effective from the date of signing such minutes by the director.

#### **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

- Subject to the provisions of the Act A chief executive officer manager company secretary or chief financial officer may be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit and any chief executive officer manager company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board A director may be appointed as chief executive officer manager company secretary or chief financial officer.
- A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer manager company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as or in place of chief executive officer manager company secretary or chief financial officer

#### **The Seal**

- The Board shall provide for the safe custody of the seal. 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 authorized 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 Reserve**

- The company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
- 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.
- 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 thinks fit. The

Board may also carry forward any profits which it may consider necessary not to divide without setting them aside as a reserve.

- 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. 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. 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.
- 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.
- 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. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- Any one of two or more joint holders of a share may give effective receipts for any dividend bonuses or other monies payable in respect of such share.
- 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.
- No dividend shall bear interest against the company.

### **Accounts**

- 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 of them shall be open to the inspection of members not being directors. 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 authorized by the Board or by the company in general meeting.

### **Winding up**

- Subject to the provisions of Chapter XX of the Act and rules made thereunder 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. 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. 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**

- Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## **CHAPTER X – OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The copies of the following documents and contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus and the Prospectus which will be filed with the Registrar of Companies and will also be available on the website of the Company. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company between 10.00 a.m. and 5.00 p.m. (IST) on all Working Days from the date of the Red Herring Prospectus until the Offer Closing Date except for such agreements executed after the Bid / Offer Closing Date).

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

#### **A) Material contracts for the Offer**

1. Offer Agreement dated September 19, 2024, between our Company, Book Running Lead Manager and Selling Shareholder
2. Offer Agreement dated September 19, 2024, between our Company and Book Running Lead Manager
3. Registrar Agreement dated February 18, 2025, between our Company, Registrar to the Offer and Selling Shareholder
4. Underwriting Agreement dated February 19, 2025 amongst our Company, the Underwriter, Book Running Lead Manager and Selling Shareholder
5. Market Making Agreement dated February 19, 2025 amongst our Company, Selling Shareholders, Market Maker and the Book Running Lead Manager.
6. Share Escrow Agreement dated February 19, 2025 entered into between the Selling Shareholder, our Company, Book Running Lead Manager and the Share Escrow Agent.
7. Bankers to the Offer Agreement dated February 20, 2025 amongst our Company, the Book Running Lead Manager, Banker(s) to the Offer, and Selling Shareholder and the Registrar to the Offer.
8. Tripartite agreement dated February 18, 2025, amongst our Company, Central Depository Services (India) Limited and Registrar to the Offer.
9. Tripartite agreement dated February 18, 2025, amongst our Company, National Securities Depository Limited and Registrar to the Offer.

#### **B) Material documents for the Offer**

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated July 02, 2024 in relation to the Offer and other related matters.
3. Shareholders' resolution dated August 01, 2024, in relation to the Offer and other related matters.
4. Consents letter of our Promoter, Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Statutory Auditor, Peer Reviewed Auditor, Book Running Lead Manager, Legal Advisor to the Offer, the Registrar to the Offer, Underwriter to the Offer, Bankers to our Company, Market Maker and Banker to the Offer to include their names in the Red Herring Prospectus / Prospectus and to act in their respective capacities.
5. Peer Review Auditors Report dated February 20, 2025 on Restated Financial Statements of our Company for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022 and for period ended August 31, 2024.

6. The Report dated February 20, 2025 from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in the Red Herring Prospectus / Prospectus.
7. Due Diligence Report (Search Report) dated September 24, 2024 issued by Mr. Ashish Karodia, Practising Company secretary.
8. Copy of approval from NSE vide letter dated 28 January 2025 to use their name in the Offer document.
9. Copies of Quotations from Patel consultants, Ganpati Engineering Works and A One Enterprise.
10. Due diligence certificate dated February 21, 2025 issued by the Book Running Lead Manager to the Offer.
11. Certificate on KPI's issued by Peer Review Auditor dated February 20, 2025.
12. Copies of the annual report of our Company for the financial year ended as on March 31, 2024, March 31, 2023 and March 31, 2022.
13. Board Resolution dated February 21, 2025 for the approval of Red Herring Prospectus.
14. Resolutions of the Audit Committee dated February 20, 2025 for the approval of KPI
15. Certificate on working capital requirements dated February 20, 2025, from the Statutory Auditor of our Company
16. Resolution dated September 26, 2024 approving the objects of the Issue
17. Lease deed dated October 21 2008 between District Industrial Centre ("Lessor") and Company
18. Rental Agreement dated September 01, 2024 between Divyajyoti Agritech Pvt. Ltd. and our Company

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

## DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Prospectus are true and correct.

### SIGNED BY ALL THE DIRECTORS OF OUR COMPANY

Name and Designation	Signature
Mr. Mohit Airen DIN: 00326470 Managing Director	Sd/-
Mr. Alok Gupta DIN: 00321894 Executive Director	Sd/-
Mr. Sunil Kumar Talwar DIN: 10105902 Executive Director	Sd/-
Ms. Aashi Neema DIN: 10149905 Non-Executive Independent Director	Sd/-
Ms. Nupur Lodwal DIN: 10150318 Non-Executive Independent Director	Sd/-
Ms. Sweena Gangwani DIN: 08852555 Non-Executive Independent Director	Sd/-

### SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Ravindra Kumar Chourishi PAN: ADSPC1636K	Sd/-
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### SIGNED BY THE COMPANY SECRETARY OF OUR COMPANY

Deepika Singh PAN: ESNPS9778A	Sd/-
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**Date:** March 5, 2025

**Place:** Indore