

THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY THIS IS NOT A PROSPECTUS ANNOUNCEMENT AND DOES NOT CONSTITUTE AN INVITATION OR ISSUE TO ACQUIRE, PURCHASE OR SUBSCRIBE FOR UNITS OR SECURITIES. NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION DIRECTLY OR INDIRECTLY OUTSIDE INDIA. INITIAL PUBLIC OFFERING OF EQUITY SHARES ON THE SME PLATFORM OF BSE LIMITED ("BSE SME") IN COMPLIANCE THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS")



[Please scan this QR Code to view the addendum]



RUKMANI DEVI GARG AGRO IMPEX LIMITED
Corporate Identity Number: U24246RJ1998PLC014771

Our Company was originally incorporated as a private limited company in the name and style of "Rukmani Devi Garg Agro Impex Private Limited" under the provisions of the erstwhile Companies Act, 1956 vide certificate of incorporation dated April 17, 1998 issued by Registrar of Companies, Rajasthan, Jaipur. Subsequently, our Company was converted from a private limited company to a public limited company, pursuant to a resolution passed in the Extraordinary general meeting of our members held on March 08, 2024 and consequently, the name of our Company was changed to "Rukmani Devi Garg Agro Impex Limited", and a fresh certificate of incorporation consequent upon conversion from private company to public company dated June 18, 2024 was issued by the Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies, Central Processing Centre. The Corporate Identification Number of our Company is U24246RJ1998PLC014771. For further details, see "**History and Certain Corporate Matters**" on page 150 of the Draft Red Herring Prospectus.

Registered Office: Plot No. 7, Bhamashah Mandi Anantpura, Kota, Rajasthan - 324005, India.

Tel No. / Mob No: + 91 7891517187; **Email:** info@rdgagro.com; **Website:** www.rdgagro.com

Contact Person: Mrs. Ayushi Agrawal, Company Secretary & Compliance Officer

**NOTICE TO INVESTORS: ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED
MAY 14, 2025 (THE ADDENDUM)**

**OUR PROMOTERS: MR. VISHAL GARG, MRS. ANJU GARG AND RDG CAPITAL PRIVATE
LIMITED**

INITIAL PUBLIC ISSUE* OF UPTO 25,00,000 EQUITY SHARES OF FACE VALUE ₹ 10/- EACH ("EQUITY SHARES") OF RUKMANI DEVI GARG AGRO IMPEX LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE"), AGGREGATING TO ₹ [●] LAKHS (THE "ISSUE"), OF WHICH [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER THE CHAPTER TITLED "**TERMS OF THE ISSUE**" ON PAGE 278 OF THE DRAFT RED HERRING PROSPECTUS.

This addendum (“Addendum”) should be read in conjunction with the Draft Red Herring Prospectus dated April 03, 2025 filed with SME Platform of BSE Limited (“BSE SME”) in relation to the Initial Public Issue of Rukmani Devi Garg Agro Impex Limited.

In this regard, the Investor should note the following modifications to the information disclosed in the Draft Red Herring Prospectus:

1. **In section I – General** in the Chapter titled “**Definitions and Abbreviations**” beginning on page 2, 8 and 11 of the Draft Red Herring Prospectus has been updated with respect to (i) Addendum (ii) Banker to the Issue / Refund Banker/ Public Issue Bank (iii) Bankers to the Issue Agreement (iv) Market Making Agreement (v)Market Maker (vi) Underwriter (vii) Underwriting Agreement
2. **In section I – General** in the Chapter titled “**Summary of Issue Document**” beginning on page 22 of the Draft Red Herring Prospectus has been updated with respect to (i) Summary of Outstanding Litigations and Material Developments
3. **In section II - “Risk Factors”** beginning on page 36 of the Draft Red Herring Prospectus has been updated in order to shift the risk factors to top 10
4. **In section III - “General Information”** beginning on page 65 of the Draft Red Herring Prospectus has been updated with respect to (i) Details of Key Intermediaries pertaining to this Issue and our Company (ii) Monitoring Agency (iii)Underwriting (iv)Details of Market Making Arrangement for this Issue.
5. **In section III - “Capital Structure”** beginning on page 65 of the Draft Red Herring Prospectus has been updated with respect to (i) details of Stock Appreciation Right Scheme, (ii) Details of Promoter contribution locked in for three (3) years (iii) Details of Equity Shares held by Promoters in excess of minimum promoters’ contribution (iv) Details of Equity Shares held by persons other than the Promoters (v) Pre- IPO Placement
6. **In section IV- “Objects of the Issue”** beginning on page 90 of the Draft Red Herring Prospectus has been has been updated with respect to (i) Utilization of net issue proceeds (ii) Schedule of implementation and deployment of net proceeds (iii) Details of the Objects of the Issue (iv) Means of finance (v) Issue Related Expenses (vi) Monitoring Utilization of Funds
7. **In section V- About the Company** in chapter titled “**Business Overview**” beginning on page 123 of the Draft Red Herring Prospectus has been updated with respect to (i) Insurance (ii) Intellectual Properties
8. **In section V- About the Company** in chapter titled “**History and Certain Corporate Matters**” beginning on page 153 of the Draft Red Herring Prospectus has been updated with respect to (i) page number reference for Details of Guarantees given to Third Parties by our Promoters in respect of Equity Shares.
9. **In section V- About the Company** in chapter titled “**Our Management**” beginning on page 165 of the Draft Red Herring Prospectus has been updated with respect to (i) reconstitution of committee under Corporate Governance - **Nomination and Remuneration Committee**.
10. **In section VII - Legal and Other Information** in chapter titled “**Outstanding Litigations and Material Developments**” beginning on page 265 of the Draft Red Herring Prospectus has been updated with respect to (i) Litigation relating to our company (ii) Litigation relating to our Directors and Promoters of the Company (iii) Litigation relating to our Subsidiary Company and/or Group Companies.
11. **In section VII- Legal and Other Information** in chapter titled “**Government and other approvals**” beginning on page 263 of the Draft Red Herring Prospectus has been updated with respect to (i) Business related approvals
12. **In section VII- Legal and Other Information** in chapter titled “**Other Regulatory and Statutory Disclosures**” beginning on page 268 of the Draft Red Herring Prospectus has been updated with respect to (i) Other Listing Conditions.
13. **In section VIII- Issue Information** in chapter titled “**Terms of Issue**” beginning on page 285 of the Draft Red Herring Prospectus has been updated with respect to (i) Migration to Main Board
14. **In section VIII- Issue Information** in chapter titled “**Issue Procedure**” beginning on page 298 of the Draft Red Herring Prospectus has been updated with respect to (i) Participation by associates/ affiliates of Book Running Lead Manager.
15. **In section X – Other Information** in chapter titled “**Material Contracts and Documents for inspection**” beginning on page 346 of the Draft Red Herring Prospectus has been updated with respect to (i) Material contracts for the Issue (ii) Material documents for the Issue.

The above is to be read in conjunction with the Draft Red Herring Prospectus and, accordingly, the corresponding references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Red Herring Prospectus and Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchanges.

All capitalized terms used in this Addendum shall unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

Sd/-
 Vishal Garg
 Chairman & Managing Director
 DIN: 00840692

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE	
 <p>FEDEX SECURITIES PRIVATE LIMITED B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle – [East], Mumbai - 400 057, Maharashtra, India Tel No.: +91 81049 85249 E-mail: mb@fedsec.in Website: www.fedsec.in Contact Person: Saipan Sanghvi SEBI Registration Number: INM000010163 Investor Grievance E-Mail: mb@fedsec.in</p>	 <p>BIGSHARE SERVICES PRIVATE LIMITED S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, Maharashtra, India Tel No.: +91 022 6263 8200 Fax No.: +91 22 6263 299 Email Id: ipo@bigshareonline.com Contact Person: Vinayak Morbale Website: www.bigshareonline.com SEBI Registration No.: INR000001385</p>	
ISSUE PROGRAMME		
ANCHOR INVESTOR BID/ ISSUE PERIOD*	BID/ ISSUE OPENES ON*: [●]	BID/ ISSUE CLOSES ON**: [●] ***

*Our Company, in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investors Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

**Our Company, in consultation with the Book Running Lead Manager, may consider closing the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations.

***The UPI mandate end time and date shall be at 5:00 p.m. on Bid/ Issue Closing Day.

Table of Contents

SECTION - I - GENERAL.....	5
DEFINITION AND ABBREVIATIONS.....	5
SUMMARY OF ISSUE DOCUMENT.....	6
SECTION - II – RISK FACTORS.....	7
SECTION - III –INTRODUCTION.....	15
GENERAL INFORMATION	15
CAPITAL STRUCTURE	17
SECTION – IV – PARTICULARS OF THE ISSUE	19
OBJECT OF THE ISSUE	19
SECTION V: ABOUT THE COMPANY	24
BUSINESS OVERVIEW	24
HISTORY AND CERTAIN CORPORATE MATTERS	26
OUR MANAGEMENT.....	27
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS.....	28
GOVERNMENT AND OTHER APPROVALS	34
OTHER REGULATORY AND STATUTORY DISCLOSURES	35
SECTION VIII – ISSUE INFORMATION	36
TERMS OF ISSUE	36
ISSUE PROCEDURE	38
SECTION X - OTHER INFORMATION.....	39
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	39
DECLARATION BY DIRECTORS.....	40

SECTION - I - GENERAL

DEFINITION AND ABBREVIATIONS

CORPORATE RELATED TERMS

Term	Description
Addendum	The addendum dated May 14, 2025 to the Draft Red Herring Prospectus

ISSUE RELATED TERMS

Term	Description
“Banker to the Issue” / “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 Issue Agreement”	Banker to the Issue Agreement entered on January 31, 2025 amongst our Company, Book Running Lead Manager, the Registrar to the Issue and Banker to the Issue / Sponsor Bank for collection of the Application Amount on the terms and conditions thereof.
“Market Making Agreement”	The Market Making Agreement dated January 30, 2025 between our Company, the Book Running Lead Manager and Market Maker.
“Market Maker”	The market maker of our Company being Aftertrade Broking Private Limited
“Underwriter”	Fedex Securities Private Limited
“Underwriting Agreement”	The Agreement dated January 25, 2025 entered between the Underwriter and our Company.

SUMMARY OF ISSUE DOCUMENT

SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

A summary of outstanding litigation proceedings involving our Company, Directors, Promoters, Subsidiary Company and Group Companies as on the date of the Draft Red Herring Prospectus as disclosed in “**Outstanding Litigation and Material Developments**” on page 251 in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount Involved (₹ in Lakhs) [#]
Company						
By the Company	1	NA	NA	NA	NA	1.20
Against the Company	NA	5	NA	NA	NA	28.24
Directors						
By our Directors	1*	NA	NA	NA	NA	5.00*
Against the Directors	NA	2*	NA	NA	NA	124.02*
Promoters						
By Promoters	1	NA	NA	NA	NA	5.00
Against Promoters	NA	2	NA	NA	NA	124.02
KMP and SMP						
By KMPs and SMP	NA	NA	NA	NA	NA	NA
Against our KMP and SMP	NA	NA	NA	NA	NA	NA
Subsidiary Company						
By Subsidiary Company	NA	NA	NA	NA	NA	NA
Against Subsidiary Company	NA	NA	NA	NA	NA	NA
Group Companies						
By Group Companies	14	NA	NA	NA	NA	336.92
Against Group Companies	NA	2	NA	NA	1	1.10

*Since the litigation against our Promoter comprises of litigation against Mr. Vishal Garg and Mrs. Anju Garg who is also the Director of the Company, the litigation against them has not been included under the heading of Director in the Chapter “**Outstanding Litigation and Material Developments**” to avoid repetition.

[#]To the extent quantifiable

For further details, see “**Outstanding Litigations & Material Developments**” on page 251 of the Draft Red Herring Prospectus.

SECTION – II – RISK FACTORS

Existing Risk Factor 13 has been shifted to Risk Factor 4:

4. Our Company has experienced negative cash flows in some prior periods and may do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.

Our Company has experienced negative net cash flows in some previous periods, the details of which are provided below:

Particulars	For the six months period ended September 30, 2024	For the year ended March 31,		
		2024	2023	2022
Net Cash generated from Operating Activities	404.87	(685.50)	(185.69)	781.39
Net Cash (Used in) Investing Activities	(2.40)	148.06	8.70	(18.65)
Net Cash from/ (Used in) Financing Activities	(402.84)	(1.78)	723.86	(822.99)

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

We cannot assure you that our net cash flows will be positive in the future. Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, prospects, results of operations and financial condition may be materially and adversely affected. For further details, see “**Restated Consolidated Financial Statements**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 185 and 233, respectively.

Existing Risk Factor 16 has been shifted to Risk Factor 6:

6. We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities.

We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. A summary of outstanding litigation proceedings involving our Company, Directors, Promoters, Subsidiary Company and Group Companies as on the date of the Draft Red Herring Prospectus are provided below:

Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount Involved (₹ in Lakhs) [#]
Company						
By the Company	1	NA	NA	NA	NA	1.20
Against the Company	NA	5	NA	NA	NA	28.24
Directors*						

By our Directors	1*	NA	NA	NA	NA	5.00*
Against the Directors	NA	2*	NA	NA	NA	124.02*
Promoters						
By Promoters	1	NA	NA	NA	NA	5.00
Against Promoters	NA	2	NA	NA	NA	124.02
KMP and SMP						
By KMPs and SMP	NA	NA	NA	NA	NA	NA
Against our KMP and SMP	NA	NA	NA	NA	NA	NA
Subsidiary Company						
By Subsidiary Company	NA	NA	NA	NA	NA	NA
Against Subsidiary Company	NA	NA	NA	NA	NA	NA
Group Companies						
By Group Companies	14	NA	NA	NA	NA	336.92
Against Group Companies	NA	2	NA	NA	1	1.10

*Since the litigation against our Promoter comprises of litigation against Mr. Vishal Garg and Mrs. Anju Garg who is also the director of the Company, the litigation against them has not been included under the heading of director in the Chapter “Outstanding Litigation and Material Developments” to avoid repetition.

#To the extent quantifiable

For further details, see “Outstanding Litigations & Material Developments” on page 251 of the Draft Red Herring Prospectus.

Existing Risk Factor 20 has been shifted to Risk Factor 7:

7. We have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.

As on September 30, 2024, our contingent liabilities and commitments (to the extent not provided for) as disclosed in the notes to our Restated Consolidated Financial Information, aggregated to ₹ 1,185.00 Lakhs. The details of our contingent liabilities are as follows:

Corporate Guarantee –

The Company has provided a corporate guarantee to Punjab National Bank (PNB) on behalf of RDG Solvent Limited, a related party under common control. The guarantee is backed by the Company's industrial property located at Khasra no. 422/184, 436/184, 421/182, 191, 191/1, 426/191, 425/191 and 191/2, Dahara, Tehsil - Ladpura, District - Kota. The corporate guarantee is limited to the extent of the value of the collateral property offered by the Company, which has been determined to be ₹ 1,185.00 Lakhs.

If any of these contingent liabilities materialize, our results of operations and financial condition may be adversely affected. For further details of our contingent liabilities, see “Restated Consolidated Financial Statements” on page 185 of the Draft Red Herring Prospectus. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

Existing Risk Factor 21 has been shifted to Risk Factor 8:

8. Our Promoters, members of Promoter Group and director have mortgaged their properties and provided personal guarantees to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.

Our Promoters, members of Promoter Group and director have mortgaged their properties and provided personal guarantees in relation to certain loan facilities availed of by us. In the event that any of these properties or guarantees are revoked by Promoters, members of Promoter Group or third party, the lenders for such facilities may require alternate properties as mortgages/guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. For further details, please refer to chapter titled “**Financial Indebtedness**” on page 248 of the Draft Red Herring Prospectus.

We may not be successful in procuring alternative properties/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 and any such failure to raise additional capital could affect our operations and our financial condition.

Existing Risk Factor 22 has been shifted to Risk Factor 9:

9. Some of our corporate records and forms filed with the Registrar of Companies are not traceable. Further, there have been certain instances of regulatory non-compliances or delays or errors in the past. We may be subject to regulatory actions and penalties for any such past or future non-compliance or delays or errors and our business, financial condition and reputation may be adversely affected.

Certain of our Company’s corporate records are not traceable as the relevant information was not available in the records maintained by our Company or on the online portal of the Ministry of Corporate Affairs (“MCA Portal”) or in the physical records available at the RoC. This was despite conducting internal searches and engaging an independent practicing company secretary to conduct a physical search of our records at the RoC and prepare a report on such search (the “RoC Search Report”). Due to change in methods of records keeping on account of technological advancement and computerization, over the years, certain forms filed with ROC prior to the year 2006 like change in registered office, increase in authorized capital and Return of Allotment. These include, inter alia documents and their particulars set out in the table below –

Sr No.	Type of documents	Date of resolution	Particulars of the missing documents
1.	Form 2 along with the list of allottees and challan	September 30, 1998	Form 2 for the allotment of 9,900 equity shares of face value of ₹10 each pursuant to further allotment, along with the complete list of allottees and the challan.
		October 30, 1998	Form 2 for the allotment of 9,900 equity shares of face value of ₹10 each pursuant to further allotment, along with the complete list of allottees and the challan
		January 25, 2001	Form 2 for the allotment of 30,000 equity shares of face value of ₹10 each pursuant to further allotment, along with the complete list of allottees and the challan
2.	Form 5	Not Available	Increase in the authorised share capital of our Company from ₹ 5,00,000 (Rupees Five Lakhs) consisting of 50,000 (Fifty Thousand) Equity Shares of ₹10 each to ₹7,00,000 (Rupees Seven Lakhs) consisting of 70,000 (Seventy Thousand) Equity Shares of ₹10 each.
3.	Form 18	Not Available	Change of registered office from 150, Shopping Centre Kota, Rajasthan to Plot No. 7, Bhamashah Mandi Anantpura Kota, Rajasthan - 324005, India

Accordingly, reliance has been placed on the annual reports, annual returns, register of members and minutes of the meeting of the board and shareholders, wherever available, for the details of certain allotments and transfers. For details of such allotments and transfers, see “**Capital Structure**” beginning on page 71 of the Draft Red Herring Prospectus. The said transactions do not have any impact on the capital structure, since we have relied on the annual reports, annual returns, register of members and minutes of the meeting of the board and shareholders, wherever available, for the details of certain allotments and transfers. Further, the Company has strengthened their internal compliance procedures by appointing a whole-time Company Secretary with relevant experience and also appointed

a CFO, who is a Chartered Accountant. We also cannot assure you that we will not be subject to any adverse action by any authority in relation to such untraceable records.

Certain information in relation to these allotments and changes in relation to the registered office address, increasing in authorized capital including increase in paid up capital, and others has been disclosed in the chapter titled “***Capital Structure***” and “***History and Certain Corporate Matters***” beginning on pages 71 and 150, respectively, based on the information derived from annual reports, annual returns, register of members and minutes of the meeting of the board and shareholders, and also based on the details provided in the search report dated September 30, 2024 prepared by JPS & Associates, Company Secretaries, independent practicing company secretary. Further the documents as detailed in the table herein above is also not available with the office of the RoC, as certified by JPS & Associates, Company Secretaries, independent practicing company secretary in their RoC Search Report dated September 30, 2024. We may not be able to furnish any further information other than as already disclosed in “***Capital Structure***” and “***History and Certain Corporate Matters***” beginning on pages 71 and 150, respectively, or confirm that the records mentioned above will be available in the future.

Additionally, in relation to the build-up of the equity shareholding, including any transfer by the erstwhile shareholder, we are unable to trace certain share transfer forms or certain documents are inconsistent. Accordingly, we have relied on other available corporate records, including annual returns and minutes to the extent available. Further, the Company has also obtained certificate from by M/s Sarupria Somani & Associates., Chartered Accountants, dated November 11, 2024, detailing the capital build-up of the Company. For details of such transfers, please refer to chapter titled “***Capital Structure***” beginning on page 71 of the Draft Red Herring Prospectus.

We are also unable to trace bank statements of the Company and Promoters for further allotments made during the year 2006 to 2011. There are few discrepancies noticed in some of our corporate records relating to e-forms filed with the Registrar of Companies, which inter-alia includes such as incorrect/ incomplete attachments to the forms, clerical errors by our Company with ROC. Further, there have been instances of delayed filings and non-filing with respect to the certain forms filed by our Company with RoC and regulatory authority. Additionally, there are few discrepancies noticed in some of our corporate records relating to e-forms filed with the Registrar of Companies, which inter-alia includes clerical errors in the resolution filed by our Company with ROC. For instance, 1) In the Form 5 filed by the company with ROC, they had inadvertently selected/tick box of Ordinary Resolution rather than Special Resolution; 2) the number of allottees was inadvertently mentioned wrong in the list of allottees attached as an attachment to the Form 2; 3) delayed filing of the Form 23AC and Form 66 with respect to Year 2009; 4) Internal Auditor not appointed as the threshold limit exceeds ₹200 crores from the Year 2014; 5) delayed filing of the Form AOC-4 with respect to Year 2021-2022; 6) delayed filing of the Form MGT-14 in relation to filing of resolution pursuant to Initial Public Offer (IPO) of the Company. Further, the audit firm namely “Jambu Agrawal & Associates” had completed consecutive 2 terms in FY2020-21, the Company continued to appoint them as the auditors for a consecutive third term, thereby not adequately complying with the provisions of Section 139(2) of the Companies Act, 2013

In case of any action being taken by the regulatory authorities against the Company and/or its officers, the same may have an adverse effect on our business, financial conditions and result of operations. While such undisputed dues are regularly deposited during the year with the appropriate authorities, there have been delays in this respect for - payment of GST as follows –

For the Financial Year Ended	Return type	Returns Filed	Delayed filing
FY 24-25	GSTR 1	6	0
FY 23-24	GSTR 1	12	0
FY 22-23	GSTR 1	12	1
FY 21-22	GSTR 1	12	4
FY 20-21	GSTR 1	12	5
FY 19-20	GSTR 1	12	4
FY 18-19	GSTR 1	12	5
FY 17-18	GSTR 1	7	7
FY 24-25	GSTR 3B	6	0
FY 23-24	GSTR 3B	12	0
FY 22-23	GSTR 3B	12	2
FY 21-22	GSTR 3B	12	4
FY 20-21	GSTR 3B	12	5
FY 19-20	GSTR 3B	12	4
FY 18-19	GSTR 3B	12	4
FY 17-18	GSTR 3B	12	1

Delays in making statutory payments had occurred due to technical issues with the portal on various occasions, transition of scheme of filing from quarterly to monthly, limited understanding of transition process, administrative difficulties, inadvertent delays and difficulties during the COVID-19 pandemic.

No show cause notice in respect of the above stated delayed compliances has been received by the Company till date, any penalty imposed for such delayed compliances in future by the any regulatory authority could affect our financial conditions to that extent. Although, we have undertaken certain steps to avoid future delays, there can be no assurance that such delays may not arise in future. There is a possibility of financial penalties being imposed on us by the relevant Government authorities, which may have a material adverse impact on our cash flows and financial condition.

Existing Risk Factor 27 has been shifted to Risk Factor 10

10. Our Group Companies have incurred losses in past, any operating losses in the future could adversely affect the results of operations and financial conditions of our group company.

The details of profit and loss of our Group Companies in the past years are as follows: -

Group Company	For the period from January 03, 2023 to March 31, 2024
Kosco Hybrid & Research Private Limited	(23.97)

We cannot assure you that our Group Entity will not incur losses in the future. This may lead to reputational loss or decline in our overall profitability. For further details on the financial information of our Group Entities, please refer chapter titled “**Our Group Companies**” beginning on page 179 of the Draft Red Herring Prospectus.

11. Some of our trade names and our Company’s logo are not registered as on date of Draft Red Herring Prospectus. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third-party intellectual property rights.

As on date of Draft Red Herring Prospectus, we have not registered our logo “” under the Trademarks Act, 1999, hence, we do not enjoy the statutory protections accorded to a registered logo. Further, as on the date of the Draft Red Herring Prospectus, the status of registration of our trademarks is as under:

Sr. No.	Particulars of the Mark	Certificate/ Application No. & Date	Class	TM Type	Status	Steps taken by Company
1.	Happyfamily	App. No.: 2921665 App. Date: March 11, 2015	30	Word	Abandoned	The Company had duly made a fresh application under class 31 and the same is registered
2.	Sharbati	App. No.: 2843220 App. Date: November 12, 2014	30	Word	Abandoned	The Company had duly made a fresh application under class 31 and the same is opposed & the request for amendment is pending for processing.
3.	Tajmahal	[●]	[●]	[●]	[●]	Currently, the Company is in process of making the Application.
4.	Happyfamily	App. No.: 2852408 App. Date: November 27, 2014	31	Word	Registered	-
5.		[●]	[●]	[●]	[●]	Currently, the Company is in process of making the Application.

We cannot assure you that any application for registration of our logo in future by our Company will be granted by the relevant authorities in a timely manner or at all. Further, there can be no assurance that third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. We may not be able to

detect any unauthorized use or 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. In the event we receive any objection/opposition from the authority or any third party, we may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. For instance, we abandoned the process of registration of our tradenames “Happyfamily” and “Sharbati” under class 30 due to objections from third parties. Any such litigation could be time consuming and costly, and the outcome cannot be guaranteed.

We sell our products under our own brands “*Sharbati*” and “*Taj Mahal*”. As on the date of the Draft Red Herring Prospectus, the said brands are unregistered. If we fail to register the appropriate intellectual property, or our efforts to protect the relevant intellectual property prove to be inadequate, the value attached to our brand and proprietary rights will deteriorate, which could have a material adverse effect on our growth, prospects, financial condition, cash flows and results of operations. In the absence of registration of these trademarks, we have lesser recourse to initiate legal proceedings to protect our brand name. In the event of unauthorised use of brands, we may be compelled to pursue legal action, which may divert our attention and resources, thereby affecting our business operations.

For further details, please refer to chapters titled “***Business Overview - Intellectual Property***” and “***Government and Other Statutory Approvals - Intellectual Property***” on page 120 and 261 of the Draft Red Herring Prospectus.

12. The improper handling, processing or storage of products, or spoilage of and damage to such products, or any real or perceived contamination in our products, could subject us to damage our reputation and have an adverse effect on our business, results of operations and financial condition.

The products that we process and trade are subject to risks such as contamination, adulteration and product tampering during their manufacture, transport or storage. We face inherent business risks of exposure to product liability or recall claims in the event that our products fail to meet the required quality standards. Storage of crops for our products entails significant risks associated with the storage environment, including moisture, temperature, humidity levels, pests, parasites and/or diseases. Excessively high or low levels of moisture, temperature or humidity may result in damage to stored crops and seeds, which may have a material adverse effect to our business, financial condition and results of operations. **Further, there have been no instances in the past for improper handling, processing or storage of products.**

13. 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.

The processing units of our Company are situated in the state of Rajasthan at F-378, Indraprastha Industrial Area, Kota, Rajasthan, 324005 and J-375 G, Indraprastha Industrial Area, IPIA, Kota, Rajasthan, 324005. Further, we also procure our raw materials primarily from the farmers in the state of Rajasthan and Madhya Pradesh. Due to the geographical concentration of our processing operations primarily in the state of Rajasthan, 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 adversity may affect our business, financial condition and results of operations.

In addition, we generate major domestic sales through our customers situated in Rajasthan, Delhi, Assam, Haryana, Uttar Pradesh and other regions. For instance, the state of Rajasthan, Delhi and Haryana contributed to 97.63% of our revenue from operations for the six months period ended September 30, 2024. Such geographical concentration of our business in this region heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in this region, which may adversely affect our business prospects, financial conditions and results of operations. Further, almost 100% of our revenue from operations is from domestic sales for the six months period ended September 30, 2024 & Fiscal 2024, Fiscal 2023 and Fiscal 2022. Further, a significant number of our dealer and distributor network as well as our agents are in the state of Rajasthan.

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

other 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.

Geography wise revenue from operations

Area	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Revenue (₹ in lakhs)	As % of Revenue from Operations	Revenue (₹ in lakhs)	As % of Revenue from Operations	Revenue (₹ in lakhs)	As % of Revenue from Operations
Domestic	24,437.53	100.00%	24,352.52	98.18%	30,638.00	98.55%
Assam	2,318.69	9.49%	2,229.81	8.99%	-	-
Chandigarh	235.88	0.97%	221.53	0.89%	128.96	0.41%
Delhi	2,536.28	10.38%	2,647.64	10.67%	3,310.21	10.65%
Gujarat	-	-	1,242.91	5.01%	5,268.18	16.94%
Haryana	1,535.58	6.28%	1,081.33	4.36%	1,163.52	3.74%
Karnataka	764.98	3.13%	4,424.77	17.84%	-	-
Madhya Pradesh	558.52	2.29%	-	-	131.52	0.42%
Maharashtra	65.01	0.27%	81.76	0.33%	127.92	0.41%
Odisha	967.90	3.96%	644.24	2.60%	-	-
Punjab	62.60	0.26%	48.95	0.20%	44.53	0.14%
Rajasthan	14,118.40	57.77%	8,842.52	35.65%	17,568.29	56.51%
Tamil Nadu	-	-	1,162.43	4.69%	-	-
Telangana	-	-	651.48	2.63%	-	-
Uttar Pradesh	1,273.68	5.21%	1,073.16	4.33%	2,834.04	9.12%
Others	-	-	-	-	60.84	0.20%
Export	-	-	452.67	1.82%	451.94	1.45%
Total	24,437.53	100.00%	24,805.19	100.00%	31,089.94	100.00%

20. We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our processing unit, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.

We believe that our Company has obtained all the material approvals required to carry on its business activities as on the date of the Draft Red Herring Prospectus. Many of these approvals are granted for a fixed period of time and are required to be renewed from time to time. Non-renewal of the said permits and licenses would adversely affect our operations, thereby having a material effect on our business, results of operations and financial condition.

Further, certain permits, licenses and approvals obtained by our Company are conditional in nature. While our Company endeavors to meet such conditions, we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, renew, maintain or obtain the required permits, licenses or approvals, or revocation, cancellation or suspension of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. There can be no assurance that the relevant authorities will issue any or all such permits or approvals in the time-frame anticipated by us or at all. Non-receipt of the aforesaid license would result in payment of fines under the respective laws. We are also required to make certain payments to various statutory authorities from time to time, including but not limited to payments pertaining to Income Tax. Any failure or delay in payment of such statutory dues may expose us to statutory and regulatory action, as well as significant penalties, and may adversely impact our business, results of operations and financial condition.

For details, see “**Government and Other Statutory Approvals**” on page 261 of the Draft Red Herring Prospectus.

34. Our employees may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements.

We are exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include intentional failures to comply with any regulations applicable to us, to provide accurate information to regulatory authorities, to comply with manufacturing standards we have established, or to report financial information or data accurately or disclose unauthorized activities to us. In particular, sales, marketing and business arrangements in our industry are subject to laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. If our employees engage in any such misconduct, we could face criminal penalties, fines, revocation of regulatory approvals and harm to our reputation, any of which could form a material adverse effect on our business. **Further, there have been no such past instances of employee misconduct or other improper activities.**

Existing Risk Factor 8 has been shifted to Risk Factor 21:

21. Few of our promoter group entities are engaged in the same line of business similar to our Company. There are no non-compete agreements between our Company and our promoter group entities. We cannot assure that our promoter group entities and our Company will not compete with each other to source the same business. Such competition between each other may adversely affect business operations and financial condition of our Company.

Few of our promoter group entities namely Vishal Garg Industries LLP, RDG Agri Export Private Limited, Prishagarg Overseas Private Limited, Rukmani Devi Garg Agro Ampex Private Limited, Priyesh Impex Private Limited, RDG Overseas Private Limited, Vishal & Company (proprietary concern) and Shri Vishal Agro Trade Syndicate (proprietary concern) are in the similar line of business as of our Company i.e. engaged in the business of trading in agricultural commodities/ products as per the object clause. However, major of these entities have not started any commercial operations. We have not entered into any non-compete agreement with such promoter group entities. There can be no assurance that our promoter group entities will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Further, our promoter group entities may enter into business in future in such circumstances, that the interest of the Company may conflict with the interest of the promoter group entities and any such present and future conflicts may adversely affect our profitability and results of operations. For further details, please refer to chapter titled "**Our Promoters and Promoter Group**" beginning on page 133 of the Draft Red Herring Prospectus.

SECTION - III –INTRODUCTION

GENERAL INFORMATION

DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY:

UNDERWRITERS	MARKET MAKER
FEDEX SECURITIES PRIVATE LIMITED B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai - 400 057, Maharashtra, India Tel No: +91 8104985249 Contact Person: Saipan Sanghvi Email Id: mb@fedsec.in Website: www.fedsec.in Investor Grievance Email: mb@fedsec.in SEBI Registration Number: INM000010163	AFTERTRADE BROKING PRIVATE LIMITED <i>(Formerly known as RCSPL Share Broking Private Limited)</i> 206, 2nd Floor, Time Square, Beside Pariseema Complex, C G Road, Navrangpura, Ahmedabad –380 009 Tele No: +91 7801918080 Email Id: compliance@aftertrade.in Website: https://www.aftertrade.in/ Investor Grievance Id: compliance@aftertrade.in Contact Person: Tanmay Trivedi SEBI Registration No: INZ000155638
BANKERS TO THE ISSUE / REFUND BANK /SPONSOR BANK	
Axis Bank Limited Gr. floor, Shop no.2 BPS Pratishtha, Devidayal Road, opp. T Ward office of BMC, Panch rasta, Mulund West, Mumbai - 400 080 Tel No: 18605005555/9892845731 Email: devidayalroadmulund.branchhead@axisbank.com Website: www.axisbank.com Contact Person: Supriya Khanvilkar	

MONITORING AGENCY

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below ₹ 5000.00 Lakhs. Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal. Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in the Draft Red Herring Prospectus.

UNDERWRITING

This Issue is 100% Underwritten by Fedex Securities Private Limited in the capacity of underwriter to the Issue. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated January 25, 2025.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares -

Name, address, telephone and email of the Underwriter(s)	Indicative number of Equity shares to be underwritten	Amount Underwritten (₹ in Lakh)	% of the total Issue size Underwritten
FEDEX SECURITIES PRIVATE LIMITED	[●]*	[●]	[●]

Name, address, telephone and email of the Underwriter(s)	Indicative number of Equity shares to be underwritten	Amount Underwritten (₹ in Lakh)	% of the total Issue size Underwritten
<p>B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai - 400 057, Maharashtra, India</p> <p>Tel No: +91 8104985249</p> <p>Contact Person: Saipan Sanghvi</p> <p>Email Id: mb@fedsec.in</p> <p>Website: www.fedsec.in</p> <p>Investor Grievance Email: mb@fedsec.in</p> <p>SEBI Registration Number: INM000010163</p>			

**Includes [●] 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.

DETAILS OF MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the BRLM has entered into Market Making Agreement dated January 30, 2025 with the following Market Maker to fulfill the obligations of Market Making for this Issue.

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

Name	Aftertrade Broking Private Limited (Formerly known as RCSPL Share Broking Private Limited)
Address	206, 2 nd Floor, Time Square, Beside Pariseema Complex, C G Road, Navrangpura, Ahmedabad – 380 009
Tele No	7801918080
Email Id	compliance@aftertrade.in
Website	https://www.aftertrade.in/
Investor Grievance Id	compliance@aftertrade.in
Contact Person	Tanmay Trivedi
SEBI Registration No	INZ000155638

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with BSE Limited to fulfil the obligations of Market Making) dated **January 30, 2025** to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares issued in this Issue.

Aftertrade Broking Private Limited, registered with SME Platform of BSE Limited ('BSE SME) 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.

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

7. There would not be more than five Market Maker for a script 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 Maker may compete with other Market Maker for better quotes to the investors. At this stage, Aftertrade Broking Private Limited is acting as the sole Market Maker.

CAPITAL STRUCTURE

7) Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme / Stock Appreciation Right 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/ Stock Appreciation Right 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 & Sweat Equity) Regulations, 2021.

17) Details of Promoter contribution locked in for three (3) years:

i. Pursuant to the Regulations 236 and 238 of SEBI ICDR Regulations, and amendments thereto an aggregate of at least 20.30 % of the post-Issue Equity Share capital of our Company held by our Promoters shall be shall be locked-in for a period of three years from the date of Allotment in this Issue and the Promoters' shareholding in excess of 20.30 % of the post Issue Equity Share capital of our Company shall be locked in as per Regulation 238(b) of the SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025.-

iii. Our Promoter has consented to include such number of Equity Shares held by him as may constitute of the post issue Equity Share capital of our Company as Minimum Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters' Contribution from the date of filing of this Draft Red Herring Prospectus until the commencement of the lock-in period specified above. Details of the Equity Shares forming part of Promoter Contribution and his lock-in details are as follows:

Promoters	Date of Allotment/ Acquisition and when made fully paid-up	Nature of Acquisition	No. of Equity Shares*	Face Value (in ₹)	Issue Price per Equity share (in ₹)	% of Pre-Issue Equity share capital	% of Post Issue Equity share Capital*	Lock in Period
Mr. Vishal Garg	March 14, 2011	Bonus Issue	6,09,000	10.00	NA	9.37%	6.77%	3 years
Mrs. Anju Garg	March 14, 2011	Bonus Issue	6,09,000	10.00	NA	9.37%	6.77%	3 years
RDG Capital Private Limited	March 14, 2011	Bonus Issue	6,09,000	10.00	NA	9.37%	6.77%	3 years
Total			18,27,000			28.11%	20.30%	

*Assuming Issue size of 25,00,000 Equity Shares

iv. Our Promoters have given their consent to include such number of Equity Shares held by our Promoters as disclosed above, constituting 20.30 % of the fully diluted post-Issue Equity Share capital of our Company as Minimum Promoter's Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Minimum Promoter's Contribution from the date of filing the Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with SEBI ICDR Regulations.

ix. Specific written consent has been obtained from the Promoters for inclusion of upto 18,27,000 Equity Shares for ensuring lock-in of three years to the extent of minimum 20.30 % of post Issue paid-up Equity Share Capital from the date of allotment in the public offer.

18) Details of Equity Shares held by Promoters in excess of minimum promoters' contribution

Lock in of Equity Shares held by Promoters in excess of minimum promoters' contribution as per Regulation 238 of the SEBI ICDR Regulations, 2018 read with SEBI (ICDR) (Amendment) Regulations, 2025. Pursuant to Regulation 238(b) of the SEBI ICDR Regulations, 2018 read with SEBI (ICDR) (Amendment) Regulations, 2025, the Equity Shares held by our Promoters and promoters' holding in excess of minimum promoters' contribution shall be locked as follows:

- Fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of two years from the date of allotment in the initial public offer i.e. pre-Issue of 22,36,100 Equity

Shares shall be subject to lock-in; and

- b. Remaining fifty percent of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of one year from the date of allotment in the initial public offer i.e. pre- Issue of 22,36,100 Equity Shares shall be subject to lock-in.

19) Details of *Equity Shares held by persons other than the Promoters*

Lock in of Equity Shares held by persons other than promoters as per Regulation 239 of the SEBI ICDR Regulations and amendment thereto. The entire pre-issue capital held by persons other than the promoters shall be locked-in for a period of one year from the date of allotment in the initial public offer, i.e. pre-Issue of 25,00,800 Equity Shares shall be subject to lock-in.

37) Our Company shall also ensure that any proposed pre-IPO placement disclosed in the draft offer document shall be reported to the stock exchange(s), within twenty-four hours of such pre-IPO transactions (in part or in entirety) – Not Applicable.

SECTION – IV – PARTICULARS OF THE ISSUE

OBJECT OF THE ISSUE

UTILIZATION OF NET ISSUE PROCEEDS

The Net Proceeds are currently expected to be deployed in accordance with the details provided in the table below:

Particulars	Estimated Amount (₹ in Lakhs) [#]
Funding our working capital requirements	1,650.00
General Corporate Purposes*	[●]
Net Issue Proceeds	[●]

[#]To be finalized upon determination of Issue Price and will be updated in the Prospectus prior to filing with the Stock Exchange.

* The amount utilized for general corporate purpose shall not exceed 15% of the gross proceeds of the Issue or ₹ 1000.00 lakhs, whichever is lower.

SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF NET PROCEEDS

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as set forth in the table below:

Particulars	Amount to be funded from Net Proceeds [#]	Estimated amount to be deployed from the Net Proceeds in Fiscal 2026 (₹ in Lakhs)
Funding our working capital requirements	1,650.00	1,650.00
General Corporate Purpose*	[●]	[●]
Net Proceeds of the Issue	[●]	[●]

[#]To be finalized upon determination of Issue Price and will be updated in the Prospectus prior to filing with the Stock Exchange.

* The amount utilized for general corporate purpose shall not exceed 15% of the gross proceeds of the Issue or ₹ 1000.00 lakhs, whichever is lower.

The fund requirements, deployment of funds and the intended use of the Net Proceeds as described in this Draft Red Herring Prospectus are based on our current business plan, management estimates, prevailing market conditions and other commercial considerations. However, such fund requirements and deployment of funds have not been appraised by any external agency or any bank or financial institution or any other independent agency. If the Net Proceeds are not utilized (in full or in part) for the Objects of the Issue during the period stated above due to any factors such as (i) economic and business conditions; (ii) the timing of completion of the Issue; (iii) market conditions outside the control of our Company; and (iv) any other business and commercial considerations, the remaining Net Proceeds shall be utilized (in full or in part) in subsequent Fiscals as may be determined by our Company, in accordance with applicable laws. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. For further information on factors that may affect our internal management estimates, see “**Risk Factors** - There can be no assurance that the objects of the Issue will be achieved within the time frame anticipated or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the plan for deployment of the Net Proceeds has not been appraised by any bank or financial institution” on page 41 of this Draft Red Herring Prospectus.

Our Company proposes to deploy the entire Net Proceeds towards the Objects in the manner as specified and as per the schedule provided in the table above. In the event that the estimated utilization is not completed as per the aforementioned schedule, due to the reasons stated above, such funds shall be utilised in the next Fiscals, as may be determined by our Company, in accordance with applicable law. Depending upon such factors, we may have to reduce or extend the utilisation period for any of the stated Objects beyond the estimated time period, at the discretion of our management, in accordance with applicable law. Further, such factors could also require us to advance the utilisation before the scheduled deployment as disclosed above towards any particular or all Objects. Subject to compliance with applicable laws, if the actual utilisation towards any of the Objects, including Issue Expenses is lower than the proposed deployment such balance will be used for funding other existing Objects, if necessary and/or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed

15% of the gross proceeds of the Issue or ₹ 1000.00 lakhs, whichever is lower, in accordance with the SEBI ICDR Regulations. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds. 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 our internal accruals, additional equity and/or debt arrangements, as required.

DETAILS OF THE OBJECTS OF THE ISSUE

1. FUNDING OUR WORKING CAPITAL REQUIREMENTS

Our Company proposes to utilize upto ₹ 1,650.00 Lakhs from the Net Proceeds towards funding its working capital requirements in ***Fiscal 2026***. We have significant working capital requirements, and we fund our working capital requirements in the ordinary course of business from our internal accruals/equity and financing facilities from various banks and related parties. Our Company requires additional working capital for funding future growth requirements of our Company.

Basis of estimation of working capital requirement:

We propose to utilise upto ₹ 1,650.00 Lakhs from the Net Proceeds to fund the working capital requirements of our Company in the ***Fiscal 2026***. The balance portion of our working capital requirement will be arranged from existing equity, internal accruals, borrowings from banks, financial institutions and related parties.

The details of Company's working capital for the Financial Years ended ***March 31, 2025 (on provisional basis)***, March 31, 2024, March 31, 2023 and March 31, 2022 and the source of funding, on the basis of Restated Standalone Financial Statements of our Company are provided in the table below:

(₹ in Lakhs)

Particulars*	As at March 31, 2025 (Provisional)	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Current Assets				
Inventories	4,179.33	2,625.39	1,709.84	1,902.63
Trade receivables	5,893.23	2,074.02	1,476.94	1,707.36
Short-term loans and advances	53.78	1.28	2.25	2.07
Other current Assets	340.00	232.49	63.41	132.41
Total Current Assets (A)	10,466.34	4,933.18	3,252.44	3,744.47
Current Liabilities				
Trade payables	2,105.28	16.90	45.81	1,046.14
Other current liabilities	543.41	209.13	10.20	13.69
Short-term provisions	266.04	164.18	15.99	14.70
Total Current Liabilities (A)	2,914.73	390.22	72.00	1,074.53
Net Working Capital (C=A-B)	7,551.61	4,542.96	3,180.44	2,669.94
Sources of Funds				
Bank Borrowings	4,747.87	2,342.49	1,973.59	733.40
Internal Accruals/ Existing Net worth	2,803.74	2,200.48	1,206.85	1,936.54
Total Means of Finance	7,551.61	4,542.96	3,180.44	2,669.94

Expected working capital requirements

The estimated working capital requirements for the Financial Year ended **March 31, 2026** has been prepared based on the management estimates of current and future financial performance. The projection has been prepared using set of assumptions that include assumptions about future events and management's action that are not necessarily expected to occur.

On the basis of our existing working capital requirements and estimated working capital requirements, our Board pursuant to its resolution dated May 14, 2025 has approved the projected working capital requirements for the **Financial Year ended March 31, 2026** with the assumptions and justifications for holding levels, and the proposed funding of such working capital requirements, as set forth below:

Particulars*	As at March 31, 2026
Current Assets	
Inventories	3,762.66
Trade receivables	5,644.00
Short-term loans and advances	3.00
Other Assets	350.00
Total Current Assets (A)	9,759.66
Current Liabilities	
Trade payables	1,881.33
Other current liabilities	94.00
Short-term provisions	200.00
Total Current Liabilities (B)	2,175.33
Net Working Capital requirements (C=A-B)	7,584.33
Sources of Funds	
Bank Borrowings	2,484.33
Internal Accruals/Existing Net worth	3,450.00
Proceeds from IPO	1650.00
Total Means of Finance	7,584.33

Assumptions for our estimated working capital requirement:

The table below sets forth the details of holding levels (in days) for the Fiscal 2025 (on provisional basis), Fiscal 2024, Fiscal 2023 and Fiscal 2022 as well as the estimated holding levels (in days) for the Fiscal 2026:

(₹ in Lakhs)

Particulars*	Holding level (in days)				
	March 31, 2026 (Projected)	March 31, 2025 (Provisional)	March 31, 2024 (Restated)	March 31, 2023 (Restated)	March 31, 2022 (Restated)
Inventory	40	47	39	25	22
Trade Receivables	60	66	31	22	20
Short-term loans and advances	0	1	0	0	0
Other current assets	4	4	3	1	2
Total asset days	104	117	73	48	44
Trade Payables	20	23	0	1	12
Other Current liabilities	1	6	3	0	0
Short term provision	2	3	2	0	0
Total liability days	23	33	5	1	12
Net working capital days	81	84	68	47	32

Notes:

Holding period in days is calculated as respective current assets or current liabilities divided by revenue from operations multiplied by number of days. The holding period has been computed over 365 days for each Fiscal year.

Key assumptions for working capital projections made by our Company

The table below sets forth the key assumptions for our working capital projections:

Inventory	Our Company had maintained Inventory days of 22 days for Fiscal 2022, 25 days for Fiscal 2023, 39 days for Fiscal 2024 and 47 days for Fiscal 2025 (on provisional basis). <i>The Company being in seasonal business, the peak cash requirement i.e. during harvest period is significantly higher and the Company has been fully utilizing its sanction limit to meet these peak cash requirements and</i> holding of inventory will enable us to bargain on pricing and also supply to our customers as per their demand requirements. Further, the increase in inventory is also attributable to increase in Branded sales on a year-on-year basis. Since, Branded sales are not bulk sales but in consumable packages, the inventory holding period is high as compared to bulk/traded sales. Accordingly, our Company proposes to maintain its inventory cycle about 40 days for Fiscal 2026.
Trade Receivable	Our Company gives credit facility to its customers in the normal course of business. Our Company had maintained trade receivable days of 20 days for Fiscal 2022, 22 days for Fiscal 2023, 31 days for Fiscal 2024 and 66 days for Fiscal 2025 (on provisional basis). Further, the increase in trade receivables are also attributable to increase in Branded sales on a year-on-year basis. Unlike in bulk sale where the credit term is marginal, a higher credit term is given to push the Branded sales. The gradual increase in trade receivables helps us to minimize the impact of competition by retaining our customers. Going forward, to build a long-term sustainable business relationship with customers and to add new customers, we are envisaging that the credit terms of 60 days would be maintained in the Fiscal 2026. <i>The Company is engaged in dealing with agricultural produce where the credit period is minimum with receivables days ranging from 20-30 days. Further, with the increase in branded sales the receivable days and inventory days will increase.</i>
Short term Loans and Advances	Short term loans and advances comprises of Advances for expenses. Short term loans and advances days is 0 days in Fiscal 2022, 0 days in Fiscal 2023, 0 days in Fiscal 2024 and 1 day for Fiscal 2025 (on provisional basis). Going forward, it is estimated that short term loans and advances will be maintained at the same level for Fiscal 2026.
Other Current Assets	Other current assets include balance with income tax department, GST department, Security deposit and others. Other current assets are maintained at 2 days in Fiscal 2022, 1 day in Fiscal 2023, 3 days in Fiscal 2024 and 4 days for Fiscal 2025 (on provisional basis). Going forward, it is estimated that other current assets days will be maintained at around 4 days for Fiscal 2026.
Trade Payable	Our major raw material being agricultural produce, we are required to pay our creditors against delivery. The Company had maintained trade payable days of 12 days for Fiscal 2022, 1 day for Fiscal 2023, 0 days for fiscal 2024 and 23 days for Fiscal 2025 (on provisional basis). It has always an endeavor of our Company to reduce the trade payable days and accordingly, going forward the trade payable days projected will be maintained at 20 days for Fiscal 2026.
Other current liabilities	Other current liabilities comprise of advance from customers, outstanding expenses and tax liabilities. Other current liabilities were maintained at 0 days for Fiscal 2022 and Fiscal 2023, 3 days for Fiscal 2024 and 6 days for Fiscal 2025 (on provisional basis). Going forward other current liabilities days will be maintained at 1 day for Fiscal 2026.
Short-term provisions	Short term provisions comprise of provision for taxes and expenses. Short term provisions were maintained at 0 days for Fiscal 2022, 0 days for Fiscal 2023, 2 days for Fiscal 2024 and 3 days for Fiscal 2025 (on provisional basis). Going forward short-term provisions will be maintained at 2 days for Fiscal 2026.

MEANS OF FINANCE

The fund requirements set out in the aforesaid Objects are proposed to be met entirely from the Net Proceeds, ***internal accruals and existing borrowings***. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals as required under the SEBI ICDR

Regulations. In case of a shortfall in the Net Proceeds or any increase in the actual utilization of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals and/ or seeking additional debt from existing and/ or other lenders.

ISSUE RELATED EXPENSES

The total expenses of the Issue are estimated to be approximately ₹ [●] Lakhs. The expenses of this include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows:

Expenses [#]	Estimated Amount * (₹ in Lakhs)	As a % of the total estimated Issue expenses ⁽¹⁾	As a % of the total Issue Size ⁽¹⁾
Book Running Lead Manager Fees	[●]	[●]	[●]
Fees payable to Registrars to the Issue, Legal and Other Advisory Services, Advertising and marketing Expenses, distribution, Printing and Distribution of issue stationery, Brokerage, Selling Commission for SCSB, Register Brokers, Sponsor Bank and upload fees	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges	[●]	[●]	[●]
Others (Fees payable for Market making, Underwriting fees, peer review auditor, <i>secretarial work, out-of-pocket expenses and other expenses</i>)	[●]	[●]	[●]
Total Estimated Issue Expenses	[●]	[●]	[●]

**Excluding applicable taxes*

MONITORING UTILIZATION OF FUNDS

As the Net Proceeds of the Issue will be less than ₹ 5000 Lakhs, under the SEBI ICDR Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through our Audit Committee. Pursuant to Regulation 262(5) of the SEBI ICDR Regulations, the Issuer company shall submit a certificate of the statutory auditor for utilization of money raised through the public issue (excluding offer for sale by selling shareholders) to SME exchange(s) while filing the quarterly financial results, till the issue proceeds are fully utilized.

Pursuant to Regulation 262(6) of SEBI ICDR Regulations, in an issue where working capital is one of the objects of the issue and the amount raised for the said object exceeds five crore rupees, the issuer shall submit a certificate of the statutory auditor to SME exchange(s) while filing the quarterly financial results, for use of funds as working capital in the same format as disclosed in the offer document, till the proceeds raised for the said object are fully utilized.

SECTION V: ABOUT THE COMPANY

BUSINESS OVERVIEW

Our Process

Wheat is a grass widely cultivated for its seed, a cereal grain which is a worldwide staple food. Raw wheat received at the factory contains weeds, seeds, chaff, and other foreign material.

INSURANCE

Sr. No.	Name of the Insurance Company	Type of Policy	Validity Period	Description	Policy No.	Total Sum Insured (₹ in lakhs)	Premium (₹ in Lakh s)
2	United India Insurance Company Limited	United Bharat Sookshma Udyam Suraksha Policy	From November 23, 2024 to November 22, 2025	Plant and Machinery Godown/ Warehouse Building including Boundary Wall	1406001124P1 12733109	₹ 107.00	0.22
3	United India Insurance Company Limited	United Bharat Sookshma Udyam Suraksha Policy	From November 20, 2024 to November 19, 2025	Godown/Warehouse Building including Boundary Wall	1406001124P1 12732603	₹ 354.00	0.73
4	United India Insurance Company Limited	United Bharat Sookshma Udyam Suraksha Policy	From November 20, 2024 to November 19, 2025	Godown/ Warehouse Building & Boundary Wall	1406001124P1 12732748	₹ 65.00	0.13

INTELLECTUAL PROPERTY

Sr. No.	Particulars of the Mark	Certificate/Application No. & Date	Class	TM Type	Status	Steps taken by Company
1.	HappyFamily	App. No.: 2921665 App. Date: March 11, 2015	30	Word	Abandoned	The Company had duly made a fresh application under class 31 and the same is registered
2.	Sharbati	App. No.: 2843220 App. Date: November 12, 2014	30	Word	Abandoned	The Company had duly made a fresh application under class 31 and the same is opposed & the request for amendment is pending for processing.
3.	Tajmahal	[●]	[●]	[●]	[●]	Currently, the Company is in process of making the Application.

4.		[●]	[●]	[●]	[●]	Currently, the Company is in process of making the Application.
----	---	-----	-----	-----	-----	---

Sr. No.	Trademark	Class	Application/ Registration no.	Owner	Validity	Authority	Status
1.	Word “Happyfamily”	31	2852408	M/s. Rukmani Devi Garg Agro Impex Private Limited	<i>November 27, 2034</i>	Trade Mark Registry Intellectual Property India, Ahmedabad	Registered

HISTORY AND CERTAIN CORPORATE MATTERS

DETAILS OF GUARANTEES GIVEN TO THIRD PARTIES BY OUR PROMOTERS IN RESPECT OF EQUITY SHARES

Except as disclosed in the Draft Red Herring Prospectus, our Promoters have not given any guarantees to third parties that are outstanding as on the date of filing of the Draft Red Herring Prospectus. Please refer to the chapter titled ***“Financial Indebtedness”*** beginning on page **248** of the Draft Red Herring Prospectus.

OUR MANAGEMENT

Corporate Governance

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee was re-constituted pursuant to a resolution passed by our Board at its meeting held on February 28, 2025. The Nomination and Remuneration Committee is in compliance with section 178 and other applicable provisions of the Companies Act and regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently comprises of:

Name of Directors	Position in the Committee	Designation
Mr. Lalit Modi	Chairman	Non-Executive Independent Director
Mr. Naresh Dutta Sharma	Member	Non-Executive Independent Director
Mrs. Priyanka Alwani	Member	Non-Executive Independent Director

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

PART 1: LITIGATION RELATING TO OUR COMPANY

A. FILED AGAINST OUR COMPANY

4) Litigation involving Tax Liability -- Indirect Tax:

Sr. No	Entity and GSTIN	Name of Authority	Notice /Demand Order Id & Period	Notice /Order Description	Amount in Dispute (Rs.)	Current Status
1.	M/s. Rukmani Devi Garg Agro Impex Private Limited 08AABCR8419 A1ZL- Rajasthan	Joint commissioner, State Tax, Circle-B, Kota, Rajasthan	Order No. ZD080225004116W Dated February 03, 2025 issued in form DRC-07 Period: April 2017- March 2018	Order u/s. 74 of CGST/DGST Act, 2017 for Non-payment of GST, Irregular ITC availed and utilized, Non-reversal of ITC, non-payment of interest and non-payment of fees etc.	The total demand for tax and other dues is Rs. 22,08,820/- which includes tax of Rs. 6,75,000/- interest of Rs. 8,58,820/- and penalty of Rs. 6,75,000	"An order for demand has been issued by the authority, and the matter is pending for response from the assessee."

4) Litigation involving Tax Liability - Direct Tax:

a. Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs. 77,540/- is determined to be paid from Previous years till **2024-25** against M/s. Rukmani Devi Garg Agro Impex Private Limited (hereinafter referred to as the "Assessee") as default on account of short payment and short deduction of TDS and late filing fees u/s 234E Interest u/s 220 and 221 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

b. A.Y. 2023-24:

M/s. RUKMANI DEVI GARG AGRO IMPEX PVT LTD (herein after referred to as the Assessee) have been issued with an intimation bearing no. ITBA/AST/S/61/2024-25/1065752942(1) dated June 19, 2024, intimating the assessee of the selection of its case for A.Y. 2023-24, for the purpose of faceless assessment / re-assessment and the assessee has accordingly been issued with a notice bearing no. ITBA/AST/F/142(1)/2024-25/1066521079(1) dated July 09, 2024 u/s. 142 of the Act requiring the assessee to submit certain documents and records including the financial statements and bank statements and like, ***pursuant to which an assessment order bearing no. ITBA/AST/S/143(3)/2024-25/1073442078(1) dated February 19, 2025 have been issued u/s. 43(3), raising a demand of Rs. 2,54,910/- and the same is pending.***

In addition to above, the assessee have further been issued with a notice bearing no. ITBA/PNL/S/271AAC(1)/2024-25/1073442330(1) dated February 19, 2025 u/s. 274 requiring the assessee to show cause as to why an order imposing penalty u/s. 271AAC(1) of the Act, not be imposed on the assessee.

PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTERS OF THE COMPANY –

A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTERS

4) Litigation involving Tax Liability

Direct Tax:

1. ANJU GARG (Promoter) – a. A.Y. 2016-17:

Mrs. Anju Garg (hereinafter referred to as the “Assessee”) have been issued with an assessment order bearing no. ITBA/AST/S/147/2021-22/1042224674(1) dated March 31, 2022 passed u/s. 147 read with section 144B of the Income Tax Act, 1961, by the Assistant Commissioner of Income Tax, national faceless Assessment Centre, Delhi for A.Y. 2016-17 raising a demand of Rs.58,06,018/- . The assessment was opened u/s. 147 read with section 148 of the Act on the alleged grounds that the assessee had booked exempt income of Long-term Capital Gains (LTCG) u/s 10 (38) to the tune of Rs. 98,16,510/- . However as alleged, it was found that the entire LTCG was reaped from sale of a BSE listed scrip namely M/s Yamini Investments Company Limited. Moreover, the assessee has further been alleged of having been involved in various bogus transactions claiming LTCG.

In addition to the demand notice, the assessee has further been ordered to be initiated with the penalty proceedings u/s. 271(1)(c) and have accordingly been issued with Show cause Notice bearing no. ITBA/PNL/S/271(1)(c)/2021-22/1042224740(1) dated March 31, 2022 requiring the assessee to show cause as to why penalty proceedings not be initiated against her and the same is pending.

Aggrieved by the aforementioned order, the assessee has filed an appeal with the Income tax Department, National Faceless Appeal Centre (NFAC), Delhi vide appeal No. NFAC/2015-16/10111880 dated April 04, 2022 and the same is pending.

As per further details available on the website of the Income Tax Department, an amount of Rs. 57,52,980/- is pending to be paid vide demand notice bearing no. 2021201637005312770T dated March 31, 2022. *In addition to the demand, an interest of Rs. 17,32,032/- has also been calculated to be paid by the assessee.*

PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTERS OF THE COMPANY

A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTERS

4) Litigation involving Tax Liability

Direct Tax:

2. Vishal Garg (Promoter)

a. 2016-17:

Mr. Vishal Garg (hereinafter referred to as the “Assessee”) have been issued with an assessment order bearing no. ITBA/AST/S/147/2021-22/1042118119(1) dated March 30, 2022 passed u/s. 147 read with section 144B of the Income Tax Act, 1961, by the Assistant Commissioner of Income Tax, national faceless Assessment Centre, Delhi for A.Y. 2016-17 raising a demand of Rs. 44,54,693/- . The assessment was opened u/s. 147 read with section 148 of the Act on the alleged grounds that the assessee had booked exempt income of long-term capital gains (LTCG) u/s 10 (38) to the tune of Rs. 79,89,144/- . However as alleged, it was found that the entire LTCG was reaped from sale of a BSE listed scrip namely M/s Yamini Investments Company Limited. Moreover, the assessee has further been alleged of having been involved in various bogus transactions claiming LTCG.

In addition to the demand notice, the assessee has further been ordered to be initiated with the penalty proceedings u/s. 271(1)(c) and have accordingly been issued with Show cause Notice bearing no. ITBA/PNL/S/271(1)(c)/2021-22/1042118409(1) dated March 30, 2022 requiring the assessee to show cause as to why penalty proceedings not be initiated against her and the same is pending.

Aggrieved by the aforementioned order, the assessee has filed an appeal with the Income tax Department, National Faceless Appeal Centre (NFAC), Delhi vide appeal No. NFAC/2015-16/10112336 dated April 04, 2022 and the same is pending.

As per further details available on the website of the Income Tax Department, an amount of Rs. 42,78,600/-in addition to an interest of **Rs. 2,89,616/-** is pending to be paid vide demand notice bearing no. 2021201637005164716T dated March 30, 2022.

PART 3: LITIGATION RELATING TO OUR SUBSIDIARY COMPANY AND/OR GROUP COMPANIES –

B. LITIGATION FILED BY OUR SUBSIDIARY COMPANY AND/ OR GROUP COMPANIES

1) Litigation involving Criminal laws:

1. Indian Warehousing Corporation Limited (Group Company)

The following legal cases involves Shakti Bhog Snacks Limited and its directors issuing few Cheques of Rs. 10,00,000/- each to Indian Warehousing Corporation Limited. However, the cheques allegedly returned dishonored with remarks “insufficient funds”. Alleging the accused of intentional financial misconduct, the Complainant herein, filed the instant suit for recovery of the aforementioned amount. Following are the details of cases:

Sr. No.	Case Number and Court Details	Defendant	Amount Involved (₹ in Lakhs)	Brief Summary and status
a.	1668/2019 filed and pending before The Hon’ble Chief Judicial Magistrate (N.I.) 1, Kota Rajasthan <i>Matter last listed on October 16, 2024</i>	1. M/s. Shakti Bhog Snacks Limited; 2. Shri Kewal Krishna Kumar; 3. Smt. Sunanda; 4. Shri Siddartha (parties 2 to 4 herein have been made parties in the suit in the capacity of Directors of Shakti Bhog Snacks Limited)	₹ 20.00	Cheque Details: Cheque Number: 142960 & 142961 Date of Cheque: January 29, 2018 Date of Return memo: January 30, 2018 Date of Legal Notice: February 12, 2018
b.	14764/2020 filed and pending before The Hon’ble Chief Judicial Magistrate (N.I.) 1, Kota Rajasthan <i>Matter last listed on December 21, 2024</i>	1. M/s. Shakti Bhog Snacks Limited; 2. Shri Kewal Krishna Kumar; 3. Smt. Sunanda; 4. Shri Siddartha (parties 2 to 4 herein have been made parties in this suit in the capacity of Directors of Shakti Bhog Snacks Limited)	₹ 30.00	Cheque Details: Cheque Number: 142937; 142938 & 142939 Date of Cheque: January 15, 2018 Date of Return memo: January 17, 2018 Date of Legal Notice: February 12, 2018
c.	554/2019 filed and pending before The Hon’ble Chief Judicial Magistrate (N.I.) 1, Kota Rajasthan <i>Matter last listed on December 06, 2024</i>	1. M/s. Shakti Bhog Snacks Limited; 2. Shri Kewal Krishna Kumar; 3. Smt. Sunanda; 4. Shri Siddartha (parties 2 to 4 herein have been made parties in this suit in the capacity of Directors of Shakti Bhog Snacks Limited)	₹ 10.00	Cheque Details: Cheque Number: 142946 Date of Cheque: January 17, 2018 Date of Return memo: January 18, 2018 Date of Legal Notice: February 12, 2018

<p>d. 1107/2019 filed and pending before The Hon'ble Chief Judicial Magistrate (N.I.) 3, Kota Rajasthan</p> <p><i>Matter last listed on February 18, 2025</i></p>	<p>1. M/s. Shakti Bhog Snacks Limited; 2. Shri Kewal Krishna Kumar; 3. Smt. Sunanda; 4. Shri Siddartha (parties 2 to 4 herein have been made parties in this suit in the capacity of Directors of Shakti Bhog Snacks Limited)</p>	<p>₹ 30.00</p>	<p>Cheque Details: Cheque Number: 142962; 142963 & 142964 Date of Cheque: March 06, 2018 Date of Return memo: March 07, 2018 Date of Legal Notice: March 22, 2018 & March 23, 2018</p>
<p>e. 555/2019 filed and pending before The Hon'ble Chief Judicial Magistrate (N.I.) 1, Kota Rajasthan</p> <p><i>Matter last listed on December 10, 2024</i></p>	<p>1. M/s. Shakti Bhog Snacks Limited; 2. Shri Kewal Krishna Kumar; 3. Smt. Sunanda; 4. Shri Siddartha (parties 2 to 4 herein have been made parties in this suit in the capacity of Directors of Shakti Bhog Snacks Limited)</p>	<p>₹ 10.00</p>	<p>Cheque Details: Cheque Number: 142942; Date of Cheque: January 17, 2018 Date of Return memo: January 18, 2018 Date of Legal Notice: February 12, 2018</p>
<p>f. 14762/2020 filed and pending before The Hon'ble Chief Judicial Magistrate (N.I.) 3, Kota Rajasthan</p> <p><i>Matter last listed on December 21, 2024</i></p>	<p>1. M/s. Shakti Bhog Snacks Limited; 2. Shri Kewal Krishna Kumar; 3. Smt. Sunanda; 4. Shri Siddartha (parties 2 to 4 herein have been made parties in this suit in the capacity of Directors of Shakti Bhog Snacks Limited)</p>	<p>₹ 30.00</p>	<p>Cheque Details: Cheque Number: 142949; 142950 & 142951 Date of Cheque: January 20, 2018 Date of Return memo: January 22, 2018 Date of Legal Notice: February 12, 2018</p>
<p>g. 14771/2020 filed and pending before The Hon'ble Chief Judicial Magistrate (N.I.) 3, Kota Rajasthan</p> <p><i>Matter last listed on December 21, 2024</i></p>	<p>1. M/s. Shakti Bhog Snacks Limited; 2. Shri Kewal Krishna Kumar; 3. Smt. Sunanda; 4. Shri Siddartha (parties 2 to 4 herein have been made parties in this suit in the capacity of Directors of Shakti Bhog Snacks Limited)</p>	<p>₹ 20.00</p>	<p>Cheque Details: Cheque Number: 142940 & 142941 Date of Cheque: January 15, 2018 Date of Return memo: January 17, 2018 Date of Legal Notice: February 12, 2018</p>
<p>h. 14760/2020 filed and pending before The Hon'ble Chief Judicial Magistrate (N.I.) 3, Kota Rajasthan</p> <p><i>Matter last listed on December 21, 2024</i></p>	<p>1. M/s. Shakti Bhog Snacks Limited; 2. Shri Kewal Krishna Kumar; 3. Smt. Sunanda; 4. Shri Siddartha (parties 2 to 4 herein have been made parties in this suit in the capacity of Directors of Shakti Bhog Snacks Limited)</p>	<p>₹ 30.00</p>	<p>Cheque Details: Cheque Number: 142954; 142955 & 142956 Date of Cheque: January 23, 2018 Date of Return memo: January 24, 2018 Date of Legal Notice: February 12, 2018</p>

i.	14747/2020 filed and pending before The Hon'ble Chief Judicial Magistrate (N.I.) 1, Kota Rajasthan <i>Matter last listed on December 21, 2024</i>	1. M/s. Shakti Bhog Snacks Limited; 2. Shri Kewal Krishna Kumar; 3. Smt. Sunanda; 4. Shri Siddartha (parties 2 to 4 herein have been made parties in this suit in the capacity of Directors of Shakti Bhog Snacks Limited)	₹ 30.00	Cheque Details: Cheque Number & date: Ch. No. 142943 & Ch. No. 142945, both dated January 17, 2024 and Ch. No. 142944 dated January 15, 2018 Date of Return memo: January 18, 2018 Date of Legal Notice: February 12, 2018
j.	14768/2020 filed and pending before The Hon'ble Chief Judicial Magistrate (N.I.) 3, Kota Rajasthan <i>Matter last listed on December 21, 2024</i>	1. M/s. Shakti Bhog Snacks Limited; 2. Shri Kewal Krishna Kumar; 3. Smt. Sunanda; 4. Shri Siddartha (parties 2 to 4 herein have been made parties in this suit in the capacity of Directors of Shakti Bhog Snacks Limited)	₹ 30.00	Cheque Details: Cheque Number: 142966; 142969 & 142970 Date of Cheque: March 08, 2018 Date of Return memo: March 09, 2018 Date of Legal Notice: March 22, 2018 & March 23, 2018
k.	14770/2020 filed and pending before The Hon'ble Chief Judicial Magistrate (N.I.) 3, Kota Rajasthan <i>Matter last listed on December 21, 2024</i>	1. M/s. Shakti Bhog Snacks Limited; 2. Shri Kewal Krishna Kumar; 3. Smt. Sunanda; 4. Shri Siddartha (parties 2 to 4 herein have been made parties in this suit in the capacity of Directors of Shakti Bhog Snacks Limited)	₹ 20.00	Cheque Details: Cheque Number: 142952 & 142953 Date of Cheque: January 23, 2018 Date of Return memo: January 24, 2018 Date of Legal Notice: February 12, 2018
l.	14754/2020 filed and pending before The Hon'ble Chief Judicial Magistrate (N.I.) 3, Kota Rajasthan <i>Matter last listed on December 21, 2024</i>	1. M/s. Shakti Bhog Snacks Limited; 2. Shri Kewal Krishna Kumar; 3. Smt. Sunanda; 4. Shri Siddartha (parties 2 to 4 herein have been made parties in this suit in the capacity of Directors of Shakti Bhog Snacks Limited)	₹ 30.00	Cheque Details: Cheque Number: 142957; 142958 & 142959 Date of Cheque: January 29, 2018 Date of Return memo: January 30, 2018 Date of Legal Notice: February 12, 2018
m.	1109/2019 filed and pending before The Hon'ble Chief Judicial Magistrate (N.I.) 3, Kota Rajasthan <i>Matter last listed on February 18, 2025</i>	1. M/s. Shakti Bhog Snacks Limited; 2. Shri Kewal Krishna Kumar; 3. Smt. Sunanda; 4. Shri Siddartha (parties 2 to 4 herein have been made parties in this suit in the capacity of Directors of Shakti Bhog Snacks Limited)	₹ 30.00	Cheque Details: Cheque Number: 142965; 142966 & 142967 Date of Cheque: March 07, 2018 Date of Return memo: March 08, 2018 Date of Legal Notice: March 22, 2018

n.	<p>1106/2019 filed and pending before The Hon'ble Chief Judicial Magistrate (N.I.) 3, Kota Rajasthan</p> <p><i>Matter last listed on January 18, 2025</i></p>	<p>1. M/s. Shakti Bhog Snacks Limited; 2. Shri Kewal Krishna Kumar; 3. Smt. Sunanda; 4. Shri Siddartha (parties 2 to 4 herein have been made parties in this suit in the capacity of Directors of Shakti Bhog Snacks Limited)</p>	₹ 26.92	<p>Cheque Details:</p> <p>Cheque Number: 142968; 142969 for Rs. 10,00,000/- each & Cheque no. 142970 for Rs. 6,92,292/-</p> <p>Date of Cheque: March 08, 2018</p> <p>Date of Return memo: March 09, 2018</p> <p>Date of Legal Notice: March 22, 2018 and March 23, 2018</p>
	TOTAL AMOUNT INVOLVED		₹ 336.92	

GOVERNMENT AND OTHER APPROVALS

III. APPROVALS/LICENSES/PERMISSIONS IN RELATION TO OUR BUSINESS

A.BUSINESS RELATED APPROVALS -

Sr. No.	Nature of Registration	Address	Registration/ License Number	Issuing Authority	Date of issue	Date of Expiry
1.	FSSAI License	M/s. Rukmani Devi Garg Agro Impex Private Limited, J-375(G), Indraprastha Industrial Area, Opp. Bhamashah Mandi, Kota-324005 Rajasthan	License Number: 122219990 00106	Food Safety and Standards Authority of India	December 05, 2024	September 22, 2025
2.	Mandi License (Baran)	M/s. Rukmani Devi Garg Agro Impex Private Limited, Khasra No.44-46 Nh No.76 Village. Haripura Baran, Rajasthan,	License Number: 1095	Krishi Upaj Mandi Samiti, Baran	October 07, 2013	Valid till Canceled
3.	Mandi License (Itawa Kota)	M/s. Rukmani Devi Garg Agro Impex Private Limited, Plot No 12, Krishi Upaj Mandi, Itawa, Kota, Rajasthan,	License Number: 241	Krishi Upaj Mandi Samiti, Itawa Kota	October 21, 2011	Valid till Canceled

OTHER REGULATORY AND STATUTORY DISCLOSURES

8. In case of name change within the last one year, at least 50% of the revenue calculated on a restated basis for the preceding 1 full financial year has been earned by it from the activity indicated by its new name.

There has not been any change in name of the Company within the last 1 (one) year except conversion of the Company from Private to Public Company.

Further there is no change in activities of the company.

10. Other Listing Condition:

vii. No regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.

ix. 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;

xiii. As on date of the Draft Red Herring Prospectus, 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.

xiv. We hereby confirm that no material clause of Article of Association has been left out from disclosure having bearing on this Initial Public Offering.

SECTION VIII – ISSUE INFORMATION

TERMS OF ISSUE

MIGRATION TO MAIN BOARD

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018 read with SEBI ICDR (Amendment) Regulations, 2025 to the extent applicable, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

As per Regulation 280(2) of the SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025, Where the post-issue paid up capital of the Company listed on a BSE SME is likely to increase beyond twenty-five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its equity shares listed on a BSE SME to the Main Board and seek listing of the equity shares proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of equity shares laid down by the Main Board: Provided that no further issue of capital shall be made unless –

- a) the shareholders have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;
- b) the Company has obtained an in-principle approval from the Main Board for listing of its entire specified securities on it.

Provided further that where the post-issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond ₹25 crores, the Company may undertake further issuance of capital without migration from SME exchange to the main board, subject to the undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the main board of the stock exchange(s)."

If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Any company voluntarily desiring to migrate to the Main board from the SME Platform, amongst others, has to fulfill following conditions:

Sr. No.	Eligibility Criteria	Details
1	Paid up capital and market capitalization	Paid-up capital of more than 10 Crores and Market Capitalisation should be minimum ₹ 25 Crores
2	Promoter holding	Promoter(s) shall be holding at least 20% of equity share capital of the company at the time of making application.
3	Financial Parameters	The applicant company should have positive operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years and has positive Profit after tax (PAT) in the immediately preceding Financial Year of making the migration application to Exchange. The applicant company should have a Net worth of at least ₹ 15 crores for 2 preceding full financial years.
4	Track record of the company in terms of listing/ regulatory actions, etc.	The applicant company is listed on SME Exchange/ Platform having nationwide terminals for at least 3 years.
5	Regulatory action	<ul style="list-style-type: none">• No material regulatory action in the past 3 years like suspension of trading against the applicant company, promoters/promoter group by any stock Exchange having nationwide trading terminals.• No Debarment of company, promoters/promoter group, subsidiary company by SEBI.

		<ul style="list-style-type: none"> • No Disqualification/Debarment of directors of the company by any regulatory authority. • The applicant company has not received any winding up petition admitted by a NCLT.
6	Public Shareholder	<p>The applicant company shall have a minimum of 250 public shareholders as per the latest shareholding pattern.</p>
7	Other parameters like No. of shareholders, utilization of funds	<p>No proceedings have been admitted under the Insolvency and Bankruptcy Code against the applicant company and Promoting companies.</p> <p>No pending Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant, promoters/promoter group /promoting company(ies), Subsidiary Companies.</p> <p>The applicant company shall obtain a certificate from a credit rating agency registered with SEBI with respect to utilization of funds as per the stated objective pursuant to IPO and/or further funds raised by the company, if any post listing on SME platform.</p> <p>The applicant company has no pending investor complaints. Cooling off period of 2 months from the date the security has come out of trade to-trade category or any other surveillance action.</p>

ISSUE PROCEDURE

Participation by associates/ affiliates of Book Running Lead Manager

The Book Running Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Book Running Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Category where the allotment is on a proportionate basis 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 BRLM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Further, neither the Book Running Lead Manager nor any persons related to the Book Running Lead Manager (other than Mutual Funds sponsored by entities related to the Book Running Lead Manager), Promoters and Promoter Group can apply in the issue under the Anchor Investor Portion.

SECTION X - OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

A. Material contracts for the Issue

- 3) Underwriting Agreement dated January 25, 2025 amongst our Company, the Underwriter and the Book Running Lead Manager;
- 4) Market Making Agreement dated January 30, 2025 amongst our Company, Market Maker and the Book Running Lead Manager;
- 5) Bankers to the Issue Agreement dated January 31, 2025 amongst our Company, the Book Running Lead Manager, Banker(s) to the Issue and the Registrar to the Issue.

B. Material documents for the Issue

- 17) Lease agreements dated June 22, 2024 executed between our Company and Indian Warehousing Corporation Limited.
- 18) Site visit report prepared by the Book Running Lead Manager.

DECLARATION BY DIRECTORS

I, Mr. Vishal Garg, hereby confirm, certify and declare that all statements, disclosures and undertakings specifically made, confirmed or undertaken by me in this Addendum about or in relation to me as Chairman and Managing Director, are true and correct. I assume no responsibility, for any other statements, disclosures and undertakings, including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other persons in this Addendum.

SD/-

Mr. Vishal Garg

DIN:00840692

Date: May 14, 2025

Place: Kota

DECLARATION BY DIRECTOR

I, Mrs. Anju Garg, hereby confirm, certify and declare that all statements, disclosures and undertakings specifically made, confirmed or undertaken by me in this Addendum about or in relation to me as Whole-Time Director, are true and correct. I assume no responsibility, for any other statements, disclosures and undertakings, including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other persons in this Addendum.

SD/-

Mrs. Anju Garg

DIN: 02061437

Date: May 14, 2025

Place: Kota

DECLARATION BY DIRECTOR

I, Mr. Naresh Dutta Sharma, hereby confirm, certify and declare that all statements, disclosures and undertakings specifically made, confirmed or undertaken by me in this Addendum about or in relation to me as Non-Executive Independent Director, are true and correct. I assume no responsibility, for any other statements, disclosures and undertakings, including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other persons in this Addendum.

SD/-

Mr. Naresh Dutta Sharma

DIN: 00158469

Date: May 14, 2025

Place: Kota

DECLARATION BY DIRECTOR

I, Mr. Lalit Modi, hereby confirm, certify and declare that all statements, disclosures and undertakings specifically made, confirmed or undertaken by me in this Addendum or in relation to me as Non-Executive Independent Director, are true and correct. I assume no responsibility, for any other statements, disclosures and undertakings, including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other persons in this Addendum.

SD/-

Mr. Lalit Modi

DIN: 07662769

Date: May 14, 2025

Place: Kota

DECLARATION BY DIRECTOR

I, Mrs. Priyanka Alwani, hereby confirm, certify and declare that all statements, disclosures and undertakings specifically made, confirmed or undertaken by me in this Addendum about or in relation to me as Non-Executive Independent Director, are true and correct. I assume no responsibility, for any other statements, disclosures and undertakings, including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other persons in this Addendum.

SD/-

Mrs. Priyanka Alwani

DIN: 10532675

Date: May 14, 2025

Place: Kota

DECLARATION BY CHIEF FINANCIAL OFFICER

I, Mr. Lakshya Gupta, hereby confirm, certify and declare that all statements, disclosures and undertakings specifically made, confirmed or undertaken by me in this Addendum about or in relation to me as Chief Financial Officer, are true and correct. I assume no responsibility, for any other statements, disclosures and undertakings, including, any of the statements, disclosures or undertakings made or confirmed by or relating to the Company or any other persons in this Addendum.

SD/-

Mr. Lakshya Gupta

PAN: BZTPG6567P

Date: May 14, 2025

Place: Kota