

**LETTER OF OFFER**  
May 28, 2024  
For Eligible Equity Shareholders only



**INTEGRA ESSENTIA LIMITED**

Our Company was incorporated as "Five Star Mercantile Private Limited" on August 6, 2007 as a private limited company under the Companies Act, 1956 and was granted the Certificate of Incorporation by the Registrar of Companies, Mumbai. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to "Five Star Mercantile Limited" on January 3, 2012 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Mumbai. Further, our Company entered into a Composite Scheme of Arrangement and Amalgamation with a division of Morarjee Textiles Limited, approved by the Hon'ble Bombay High Court vide its order dated June 29, 2012. Consequently, the name of our Company was changed to "Integra Garments and Textiles Limited" and a fresh Certificate of Incorporation was issued on August 2, 2012 by the Registrar of Companies, Mumbai. Further, the name of the Company was changed to "Integra Essentia Limited" on February 16, 2022 and a fresh Certificate of Incorporation was issued on February 16, 2022 by the Registrar of Companies, Mumbai. For further details of change in name and registered office of our Company, please refer to "General Information" beginning on page 43 of this Letter of Offer.

**Corporate Identity Number:** L74110DL2007PLC396238  
**Registered Office:** 607, 6<sup>th</sup> Floor, Pearls Best Height -II, Netaji Subhash Place, Delhi, India - 110034  
**Telephone:** +91 80762 00456, 76692253-10/11 | **E-mail id:** [csig12021@gmail.com](mailto:csig12021@gmail.com); [cs@integraessentia.com](mailto:cs@integraessentia.com)  
**Website:** [www.integraessentia.com](http://www.integraessentia.com); **Contact Person:** Pankaj Kumar Sharma, Company Secretary & Compliance Officer

|   |  |   |
|---|--|---|
| <b>PROMOTER OF OUR COMPANY: VISHESH GUPTA*</b>  |  |   |
| <b>FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF INTEGRA ESSENTIA LIMITED (OUR "COMPANY" OR THE "ISSUER") ONLY</b>   |  |   |
| <b>NEITHER OUR COMPANY NOR OUR PROMOTER HAS BEEN DECLARED AS A WILFUL DEFAULTER OR A FRAUDULENT BORROWER BY THE RBI OR ANY OTHER GOVERNMENT AUTHORITY</b>   |  |   |
| <p><b>ISSUE OF UP TO 15,36,24,538 FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹1 EACH OF OUR COMPANY (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ 3.25 PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ 2.25 PER EQUITY SHARE) AGGREGATING TO ₹4992.80 LAKHS# ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 20 EQUITY SHARE FOR EVERY 119 FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS SATURDAY, JUNE 1, 2024 (THE "ISSUE"). FOR FURTHER DETAILS, PLEASE REFER TO "TERMS OF THE ISSUE" BEGINNING ON PAGE 192 OF THIS LETTER OF OFFER.</b></p> <p><b># Assuming full subscription.</b></p>   |  |   |
| <b>GENERAL RISKS</b>  |  |   |
| <p>Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors shall rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. Specific attention of the investors is invited to "Risk Factors" beginning on page 20 of this Letter of Offer before making an investment in this Issue.</p> |  |   |
| <b>ISSUER'S ABSOLUTE RESPONSIBILITY</b>   |  |   |
| <p>Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, and that the information contained in this Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respects.</p>  |  |   |
| <b>LISTING</b>  |  |   |
| <p>The existing Equity Shares are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (together, the "Stock Exchanges"). Our Company has received 'in-principle' approvals from the BSE and NSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide letters dated May 10, 2024 and May 17, 2024 respectively. Our Company will also make applications to the Stock Exchanges to obtain their trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE Limited.</p>  |  |   |
| <b>ADVISOR TO THE ISSUE</b>   | <b>LEAD MANAGER TO THE ISSUE</b>   | <b>REGISTRAR TO THE ISSUE</b>   |
|  <p><b>Hexaxis Advisors Limited</b><br/>CIN: U74999DL2019PLC357568<br/>40 RPS, Sheikh Sarai, Phase-1,<br/>New Delhi, South Delhi - 110017<br/><b>Telephone:</b> 011-40503037<br/><b>Email:</b> <a href="mailto:mail@hexaxis.in">mail@hexaxis.in</a><br/><b>Investor Grievance e-mail id:</b><br/><a href="mailto:Pankaj@hexaxis.in">Pankaj@hexaxis.in</a><br/><b>Contact Person:</b> Mr. Pankaj Gupta<br/><b>Website:</b> <a href="http://www.hexaxis.in">www.hexaxis.in</a></p>   |  <p><b>Fast Track Finsec Private Limited</b><br/><b>Address:</b> Office no. V 116, 1st Floor, New Delhi<br/>House, 27, Barakhamba Road, New Delhi - 110001,<br/><b>Telephone:</b> 011-43029809<br/><b>Website:</b> <a href="http://www.ftfinsec.com">www.ftfinsec.com</a><br/><b>Email:</b> <a href="mailto:mb@ftfinsec.com">mb@ftfinsec.com</a><br/><b>SEBI Registration No.:</b> INM000012500<br/><b>CIN:</b> U65191DL2010PTC200381<br/><b>Contact Person:</b> Ms. Sakshi / Ms. shefali</p> |  <p><b>Skyline Financial Services Private Limited</b><br/>D-153A, 1st Floor, Okhla Industrial Area,<br/>Phase-I, New Delhi-110020<br/><b>Telephone:</b> 011-40450193/97<br/><b>Email:</b> <a href="mailto:admin@skylinerta.com">admin@skylinerta.com</a>,<br/><b>Website:</b> <a href="http://www.skylinerta.com">www.skylinerta.com</a><br/><b>Investor grievance e-mail:</b><br/><a href="mailto:investors@skylinerta.com">investors@skylinerta.com</a><br/><b>Contact Person:</b> Mr. Anuj Rana<br/><b>SEBI Registration No.:</b> INR000003241<br/><b>Validity of Registration:</b> Permanent</p> |
| <b>ISSUE PROGRAMME</b>  |  |   |
| <b>ISSUE OPENS ON</b>   | <b>LAST DATE FOR ON MARKET RENUNCIATIONS*</b>  | <b>ISSUE CLOSSES ON#</b>  |
| <b>TUESDAY, JUNE 11, 2024</b>   | <b>THURSDAY, JUNE 20, 2024</b>   | <b>TUESDAY, JUNE 25, 2024</b>   |

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

# Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

^Company has already filed an application for Promoter Reclassification with BSE & NSE for its erstwhile promoters, Approval for the same is still pending.

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

*References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Letter of Offer but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the Depositories Act, Takeover Regulations, or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in "Statement of Special Tax Benefits" and "Financial Statements" beginning on pages 59 and 110, respectively of this Letter of Offer, shall have the meaning given to such terms in such sections.*

#### Company and Industry Related Terms

| Term   | Description  |
|--|--|
| "Our Company" or "the Company" or "the Issuer" | Integra Essentia Limited incorporated under the Companies Act 1956, with its Registered & Corporate Office at 607, 6 <sup>th</sup> Floor, Pearls Best Height - II, Netaji Subhash Place, Delhi, India – 110034   |
| "Articles of Association" or "Articles"        | The articles of association of our Company, as amended from time to time   |
| "Audit Committee"                              | The committee of the Board of Directors constituted as our Company's audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") and Section 177 of the Companies Act, 2013. |
| "Board" or "Board of Directors"                | The board of directors of our Company or a duly constituted committee thereof or its duly authorised individuals.  |
| "Company Secretary and Compliance Officer"     | Pankaj Kumar Sharma, the Company Secretary and the Compliance Officer of our Company.  |
| Directors                                      | Directors on the Board, as may be appointed from time to time  |
| Equity Shareholders                            | Holders of Equity Share(s), from time to time  |
| Equity Shares                                  | Equity shares of face value of ₹1 each of our Company  |
| "Financial Information"                        | Collectively the Audited/Restated Financial Statements, unless otherwise specified in context thereof.   |
| Independent Director                           | Independent directors on the Board, who are eligible to be appointed as independent directors under the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see "Our Management" beginning on page 97 of this Letter of Offer                                  |
| Key Managerial Personnel                       | The key managerial personnel of our Company as per the definition provided in Regulation 2(1) (bb) of the SEBI ICDR Regulations  |
| Materiality Policy                             | A policy adopted by our Company for identification of material litigation(s) for the purpose of disclosure of the same in this Letter of Offer.  |
| Memorandum of Association or MOA               | The memorandum of association of our Company, as amended from time to time   |
| Promoter                                       | The promoter of our Company, namely, Mr. Vishesh Gupta.  |
| Promoter Group                                 | The promoter group of our Company as determined in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations.   |
| Registered and Corporate Office                | 607, 6 <sup>th</sup> Floor, Pearls Best Height -II, Netaji Subhash Place, Delhi, India – 110034.   |

| <b>Term</b>                   | <b>Description</b>   |
|-------------------------------|--|
| Restated Financial Statements | Our restated Ind AS summary statement of assets and liabilities as at March 31, 2023, March 31, 2022, and as at March 31, 2021, and restated Ind AS summary statement of profit and loss, restated Ind AS summary statement of changes in equity and restated Ind AS summary statement of cash flows for the year ended March 31, 2023, March 31, 2022 and March 31, 2021, together with the annexures, notes and other explanatory information thereon, derived from the annual audited financial statements as at and for year ended March 31, 2023, March 31, 2022 and March 31, 2021, prepared in accordance with Ind AS and restated in accordance with Section 26 of Part 1 of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the ICAI. |
| Statutory Auditors            | A K Bhargav & Co.  |

### Issue Related Terms

| <b>Term</b>  | <b>Description</b>  |
|--|---|
| 2009 ASBA Circular   | The SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009  |
| 2011 ASBA Circular   | The SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011   |
| 2020 ASBA Circular   | The SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020   |
| 2022 ASBA Circular   | The SEBI Circular SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022   |
| "Abridged Letter of Offer" or "ALOF"                       | Abridged Letter of Offer to be sent to the Eligible Equity Shareholders with respect to the Issue in accordance with the provisions of the SEBI ICDR Regulations and the Companies Act, 2013  |
| Additional Rights Equity Shares / Additional Equity Shares | The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement   |
| "Allotment", "Allot" or "Allotted"                         | Allotment of Equity Shares pursuant to the Issue  |
| Allotment Account(s)                                       | The account(s) opened with the Banker(s) to this Issue, into which the Application Money lying credit to the Escrow Account(s) and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013 |
| Allotment Account Bank(s)                                  | Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, HDFC Bank Limited   |
| Allotment Advice   | The note or advice or intimation of Allotment, sent to each successful Investor who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange   |
| Allotment Date   | Date on which the Allotment is made pursuant to this Issue  |
| Allottee(s)  | Person(s) who is Allotted Equity Shares pursuant to Allotment   |
| Applicant(s) or Investors                                  | Eligible Equity Shareholder(s) and/or Renouncee(s) who are entitled to apply or make an application for the Equity Shares pursuant to the Issue in terms of this Letter of Offer  |
| Application  | Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Equity Shares at the Issue Price  |
| Application Form   | Unless the context otherwise requires, an application form or through the website of the SCSBs (if made available by such SCSBs) under the ASBA process used by an Investor to make an application for the Allotment of Equity Shares in the Issue  |
| Application Money  | Aggregate amount payable at the time of application i.e. ₹ 3.25 in respect of the Equity Shares applied for in the Issue at the Issue Price   |

| Term  | Description   |
|---|---|
| "Application Supported by Blocked Amount" or "ASBA"           | Application (whether physical or electronic) used by an SBA Investor to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with the SCSB  |
| ASBA Account  | Account maintained with the SCSB and specified in the Application Form or the plain paper Application by the Applicant for blocking the amount mentioned in the Application Form or the plain paper Application   |
| ASBA Circulars  | Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.                        |
| ASBA Bid  | A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.  |
| Banker(s) to the Issue  | the Allotment Account Bank(s) to the Issue  |
| Banker to the Issue Agreement                                 | Agreement dated May 28, 2024 amongst our Company, the Registrar to the Issue and the Banker(s) to the Issue for collection of the Application Money from Applicants/Investors making an application for the Equity Shares   |
| Basis of Allotment  | The basis on which the Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in " <b>Terms of the Issue</b> " beginning on page 192 of this Letter of Offer   |
| Consolidated Certificate                                      | The certificate that would be issued for Rights Equity Shares Allotted to each folio in case of Eligible Equity Shareholders who hold Equity Shares in physical form.   |
| "Controlling Branches" or "Controlling Branches of the SCSBs" | Such branches of the SCSBs which coordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a>   |
| Designated Branches   | Such branches of the SCSBs which shall collect the Application Form or the plain paper application, as the case may be, used by the ASBA Investors and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>  |
| Designated Stock Exchange                                     | BSE Limited   |
| Depository(ies)   | NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996.  |
| Draft Letter of Offer/DLoF/DLOF                               | The Draft Letter of Offer dated February 26, 2024 filed with the Stock Exchanges  |
| Eligible Equity Shareholder (s)                               | Holder(s) of the Equity Shares of our Company as on the Record Date   |
| IEPF  | Investor Education and Protection Fund  |
| Investor(s)   | Eligible Equity Shareholder(s) of our Company on the Record Date, Saturday, June 1, 2024 and the Renouncee(s)   |
| ISIN  | International securities identification number of the Company being INE418N01035  |
| Issue / Rights Issue  | Issue of up to 15,36,24,538 Equity Shares of face value of ₹1 each of our Company for cash at a price of ₹ 3.25 per Rights Equity Share not exceeding ₹4992.80 lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of 20 Rights Equity Shares for every 119 Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date i.e. Saturday, June 1, 2024. |
| Issue Closing Date  | Tuesday, June 25, 2024  |
| Issue Opening Date  | Tuesday, June 11, 2024  |
| Issue Period  | The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants can submit their applications, in accordance  |

| <b>Term</b>                                | <b>Description</b>  |
|--|---|
|  | with the SEBI ICDR Regulations  |
| Issue Price                                | ₹ 3.25 per Equity Share   |
| Issue Proceeds or Gross Proceeds           | Gross proceeds of the Issue   |
| Issue Size                                 | Amount aggregating up to ₹4995 Lakhs <sup>#</sup><br><sup>#</sup> Assuming full subscription  |
| Letter of Offer or LOF                     | The Letter of Offer filed with the Stock Exchanges  |
| Listing Agreement                          | The listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI Listing Regulations  |
| Fraudulent Borrower                        | Company or person, as the case may be, categorized as a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on fraudulent borrower issued by RBI   |
| Multiple Application Forms                 | Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application  |
| Net Proceeds                               | Issue Proceeds less the Issue related expenses. For further details, see " <b>Objects of the Issue</b> " beginning on page 52 of this Letter of Offer   |
| Off Market Renunciation                    | The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off-market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws  |
| On Market Renunciation                     | The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchanges, from time to time, and other applicable laws, on or before Thursday, June 20, 2024.  |
| "Qualified Institutional Buyers" or "QIBs" | Qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations   |
| Record Date                                | Designated date for the purpose of determining the Eligible Equity Shareholders eligible to apply for Equity Shares, being Saturday, June 1, 2024.  |
| Refund Bank (s)                            | The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being HDFC Bank Limited.  |
| Registrar to the Issue / Registrar/ RTA    | Skyline Financial Services Limited  |
| Registrar Agreement                        | Agreement dated May 28, 2024 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue  |
| Renouncee (s)                              | Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders   |
| Renunciation Period                        | The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on Thursday, June 20, 2024 in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date |
| RE ISIN                                    | ISIN for Rights Entitlement i.e. INE418N20035   |
| Rights Entitlement(s)                      | The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, being 20 Rights Equity Shares for 119 Equity Shares held on Saturday, June 1, 2024.<br>The Rights Entitlements with a separate ISIN: INE418N20035 will be credited to  |

| Term                                 | Description   |
|--------------------------------------|---|
|                                      | your demat account before the date of opening of the Issue, against the equity shares held by the Equity Shareholders as on the record date.<br>Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date.  |
| Rights Entitlement Letter<br>SCSB(s) | Letter including details of Rights Entitlements of the Eligible Equity Shareholders.<br>Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a>   |
| Stock Exchanges                      | Stock exchanges where the Equity Shares are presently listed, being BSE and NSE.  |
| Transfer Date                        | The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange  |
| Wilful Defaulter                     | Company or person, as the case may be, categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by RBI  |
| Working Day(s)                       | In terms of Regulation 2(1)(mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Delhi are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Delhi are open for business. Furthermore, the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI |

#### Conventional and General Terms/Abbreviations

| Term                           | Description  |
|--------------------------------|--|
| "₹", "Rs. ", "Rupees" or "INR" | Indian Rupees  |
| Adjusted loans and advances    | Adjustment in the nature of addition to the loans and advances made in relation to certain loans which are treated as investments under Ind AS, but considered as loans by our Company |
| AIF(s)                         | Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012                    |
| AUM                            | Assets under management  |
| AY                             | Assessment year  |
| BSE                            | BSE Limited  |
| CAGR                           | Compound annual growth rate  |
| CDSL                           | Central Depository Services (India) Limited  |
| CIN                            | Corporate identity number  |
| Companies Act, 1956            | Erstwhile Companies Act, 1956 along with the rules made thereunder   |
| Companies Act, 2013            | Companies Act, 2013 along with the rules made thereunder   |
| COVID-19                       | A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020                                   |
| CRAR                           | Capital adequacy ratio/Capital to risk assets ratio  |
| CrPC                           | Code of Criminal Procedure, 1973   |
| Depositories Act               | Depositories Act, 1996   |
| Depository                     | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996  |
| Depository Participant /       | A depository participant as defined under the Depositories Act   |



| <b>Term</b>  | <b>Description</b>  |
|--|---|
| DP   |   |
| DP ID  | Depository participant's identification   |
| DIN  | Director Identification Number  |
| EBITDA   | Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation and amortization expense, as presented in the statement of profit and loss                                  |
| EGM  | Extraordinary general meeting   |
| EPS  | Earnings per Equity Share   |
| FCNR Account   | Foreign currency non-resident account   |
| FDI Circular 2020  | Consolidated FDI Policy dated October 15, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India                                  |
| FEMA   | Foreign Exchange Management Act, 1999, together with rules and regulations thereunder   |
| FEMA Rules   | Foreign Exchange Management (Non-debt Instruments) Rules, 2019  |
| Financial Year, Fiscal Year or Fiscal                    | Period of 12 months ended March 31 of that particular year, unless otherwise stated   |
| FIR  | First information report  |
| FPIs   | Foreign portfolio investors as defined under the SEBI FPI Regulations   |
| Fugitive Economic Offender                               | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018  |
| FVCI   | Foreign venture capital investors as defined under and registered with SEBI pursuant to the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 registered with SEBI |
| GAAP   | Generally accepted accounting principles  |
| GDP  | Gross domestic product  |
| GoI or Government  | Government of India   |
| GST  | Goods and Service Tax   |
| HFC  | Housing finance companies   |
| HUF  | Hindu Undivided Family  |
| IBC  | Insolvency and Bankruptcy Code, 2016  |
| ICAI   | Institute of Chartered Accountants of India   |
| Income Tax Act   | Income-Tax Act, 1961  |
| Ind AS   | Indian accounting standards as specified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended   |
| IFRS   | International Financial Reporting Standards   |
| Insider Trading Regulations                              | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015   |
| ITAT   | Income Tax Appellate Tribunal   |
| LTV  | Loan to value ratio   |
| MCA  | Ministry of Corporate Affairs   |
| Mutual Fund  | Mutual fund registered with SEBI under the Securities and Exchange Board of (Mutual Funds) Regulations, 1996  |
| Net Asset Value per Equity Share or NAV per Equity Share | Net Worth/ Number of Equity shares subscribed and fully paid outstanding as at March 31   |
| Net Worth  | Aggregate of Equity Share capital and other equity  |
| NBFC   | Non-banking financial companies   |
| NCD(s)   | Non-convertible debentures  |
| NHB  | National housing bank   |
| NPA(s)   | Non-performing assets   |
| NRE Account  | Non-resident external account   |
| NRI  | A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016                            |
| NRO Account  | Non-resident ordinary account   |

| <b>Term</b>                       | <b>Description</b>   |
|-----------------------------------|--|
| NSDL                              | National Securities Depository Limited   |
| NSE                               | National Stock Exchange of India Limited   |
| OCB or Overseas Corporate Body    | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA |
| PAN                               | Permanent account number   |
| PAT                               | Profit after tax   |
| QP                                | Qualified purchaser as defined in the U.S. Investment Company Act  |
| RBI                               | Reserve Bank of India  |
| RBI Act                           | Reserve Bank of India Act, 1934  |
| Regulation S                      | Regulation S under the U.S. Securities Act   |
| RoC                               | Registrar of Companies, Delhi  |
| RTGS                              | Real time gross settlement   |
| Rule 144A                         | Rule 144A under the U.S. Securities Act  |
| SCRA                              | Securities Contracts (Regulation) Act, 1956  |
| SCRR                              | Securities Contracts (Regulation) Rules, 1957  |
| SEBI                              | Securities and Exchange Board of India   |
| SEBI Act                          | Securities and Exchange Board of India Act, 1992   |
| SEBI AIF Regulations              | Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012  |
| SEBI FPI Regulations              | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019   |
| SEBI Listing Regulations          | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015   |
| SEBI Relaxation Circulars         | SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, read with SEBI circulars bearing reference numbers SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020 and SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021  |
| SEBI Rights Issue Circulars       | Collectively, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020 and the SEBI Relaxation Circulars   |
| SEBI ICDR Regulations             | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018  |
| Stock Exchanges                   | BSE and NSE  |
| STT                               | Securities transaction tax   |
| Supreme Court                     | Supreme Court of India   |
| TAT                               | Turn around time   |
| Takeover Regulations              | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011   |
| Total Borrowings                  | Aggregate of debt securities, borrowings (other than debt securities) and subordinated liabilities   |
| "U.S.\$ ", "USD" or "U.S. dollar" | United States Dollar, the legal currency of the United States of America   |
| U.S. Investment Company Act       | Investment Company Act of 1940, as amended   |
| U.S. Person                       | U.S. persons as defined in Regulation S under the U.S. Securities Act or acting for the account or benefit of U.S. persons (not relying on Rule 902(k)(1)(viii)(B) or Rule 902(k)(2)(i) of Regulation S)   |
| U.S. QIB                          | Qualified institutional buyer as defined in Rule 144A under the U.S. Securities Act  |
| "USA", "U.S. " or "United States" | United States of America   |

| <b>Term</b>         | <b>Description</b>   |
|---------------------|--|
| U.S. SEC            | U.S. Securities and Exchange Commission  |
| U.S. Securities Act | U.S. Securities Act of 1933, as amended  |
| VCF                 | Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be |
| WHO                 | World Health Organization  |

## NOTICE TO INVESTORS

The distribution of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch through email and courier this Letter of Offer, Abridged Letter of Offer, Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, this Letter of Offer will be provided, through email and courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access this, Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Stock Exchanges. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue Materials.

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

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Neither the delivery of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer and the Abridged Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

**THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE ISSUE OF RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT THEIR OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE ISSUE OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES**

**REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.**

**NO OFFER IN THE UNITED STATES**

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof ("**United States**"), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, this Letter of Offer/ Abridged Letter of Offer and the enclosed Application Form and Rights Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and this Letter of Offer / Abridged Letter of Offer and Application Form and Rights Entitlement Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

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

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "**US SEC**"), any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Letter of Offer.

Any representation to the contrary is a criminal offence in the United States.

The above information is given for the benefit of the Applicants / Investors. Our Company and the Advisor to the Issue are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under the applicable laws or regulations.

**THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE ADVISOR TO THE ISSUE OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.**

## **ENFORCEMENT OF CIVIL LIABILITIES**

The Company is a Public Limited (Listed) Company under the laws of India and all the Directors and all Executive Officers are residents of India. It may not be possible or may be difficult for investors to affect service of process upon the Company or these other persons outside India or to enforce against them in courts in India, judgments obtained in courts outside India. India is not a party to any international treaty in relation to the automatic recognition or enforcement of foreign judgments.

However, recognition and enforcement of foreign judgments is provided for under Sections 13, 14 and 44A of the Code of Civil Procedure, 1908, as amended (the "Civil Procedure Code"). Section 44A of the Civil Procedure Code provides that where a certified copy of a decree of any superior court (within the meaning of that section) in any country or territory outside India which the Government of India has by notification declared to be a reciprocating territory, is filed before a district court in India, such decree may be executed in India as if the decree has been rendered by a district court in India. Section 44A of the Civil Procedure Code is applicable only to monetary decrees or judgments not being in the nature of amounts payable in respect of taxes or other charges of a similar nature or in respect of fines or other penalties. Section 44A of the Civil Procedure Code does not apply to arbitration awards even if such awards are enforceable as a decree or judgment. Among others, the United Kingdom, Singapore, Hong Kong and the United Arab Emirates have been declared by the Government of India to be reciprocating territories within the meaning of Section 44A of the Civil Procedure Code.

The United States has not been declared by the Government of India to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code. Under Section 14 of the Civil Procedure Code, an Indian court shall, on production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction unless the contrary appears on the record; but such presumption may be displaced by proving want of jurisdiction.

A judgment of a court in any non-reciprocating territory, such as the United States, may be enforced in India only by a suit upon the judgment subject to Section 13 of the Civil Procedure Code, and not by proceedings in execution. Section 13 of the Civil Procedure Code, which is the statutory basis for the recognition of foreign judgments (other than arbitration awards), states that a foreign judgment shall be conclusive as to any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title except where:

- The judgment has not been pronounced by a court of competent jurisdiction;
- The judgment has not been given on the merits of the case;
- The judgment appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases where such law is applicable;
- The proceedings in which the judgment was obtained are opposed to natural justice;
- The judgment has been obtained by fraud; and/or
- The judgment sustains a claim founded on a breach of any law in force in India.

A suit to enforce a foreign judgment must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. In addition, it is unlikely that an Indian court would enforce foreign judgments if it considered the amount of damages awarded as excessive or inconsistent with public policy or if the judgments are in breach of or contrary to Indian law. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the Reserve Bank of India to repatriate any amount recovered pursuant to execution of such judgment. Any judgment in a foreign currency would be converted into Rupees on the date of such judgment and not on the date of payment and any such amount may be subject to income tax in accordance with applicable laws. The Company cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

### Certain Conventions

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

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

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

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

Unless stated otherwise, all references to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer.

### Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Letter of Offer has been derived from our Financial Statements. For details, please see "**Restated Financial Information**" beginning on page 110 of this Letter of Offer. Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The GoI has adopted the Indian accounting standards ("**Ind AS**"), which are converged with the International Financial Reporting Standards of the International Accounting Standards Board ("**IFRS**") and notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (the "**Ind AS Rules**").

The Restated Financial Statements of our Company for the Financial Year ended March 2021, March 2022, March 2023 and for the period ended December 31, 2023 have been prepared in accordance with Ind AS, as prescribed under Section 133 of Companies Act read with the Ind AS Rules and other the relevant provisions of the Companies Act and in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (revised), 2019, issued by the ICAI. Our Company publishes its financial statements in Rupees.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off and unless otherwise specified all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information in the Financial Statements in whole numbers and in this Letter of Offer in "lakh" units or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000 and one million represents 1,000,000.

There are significant differences between Ind AS, US GAAP and IFRS. We have not provided a reconciliation of the financial information to IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Letter of Offer should accordingly be limited. For further information, see "**Financial Information**" beginning on page 110 of this Letter of Offer.

Certain figures contained in this Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to

other than two decimal points in their respective sources, such figures appear in this Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

### Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs. " are to Indian Rupee, the official currency of the Republic of India; and
- "USD" or "US\$" or "\$" are to United States Dollar, the official currency of the United States of America.

Our Company has presented certain numerical information in this Letter of Offer in "lakh" or "Lac" units or in whole numbers. One lakh represents 1,00,000 and one million represents 1,000,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Conditions and Results of Operation*" beginning on pages 20, 89, and 1711 and elsewhere in this Letter of Offer, unless otherwise indicated, have been calculated based on our Financial Information.

### Exchange Rates

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

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

| Sr. No. | Name of the Currency | Exchange rate as on |                |                |                |
|---------|----------------------|---------------------|----------------|----------------|----------------|
|         |                      | December 31, 2023   | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| 1.      | United States Dollar | 83.11               | 82.21          | 75.80          | 73.53          |

(in ₹)

(Source: RBI and FBIL reference rate [www.fbil.org.in](http://www.fbil.org.in))

Note: In case March 31 of any of the respective years / period or December 31 is a public holiday, the previous Working Day not being a public holiday has been considered.

### Industry and Market Data

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

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured.

Although we believe the industry and market data used in this Letter of Offer is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" beginning on page 20 of this Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

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



## FORWARD LOOKING STATEMENTS

Certain statements contained in this Letter of Offer that are not statements of historical fact constitute 'forward looking statements'. Investors can generally identify forward-looking statements by terminology including 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'future', 'forecast', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'target', 'will', 'would' or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements may include planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts) and other matters discussed in this Letter of Offer that are not historical facts.

These forward-looking statements contained in this Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause our actual results, performances and achievements to differ materially from any of the forward-looking statements include, among others:

- Changes in government policies and the regulatory frameworks supporting renewable energy development
- Fluctuations in foreign currency exchange rate, which may harm our results of operations;
- Our ability to maintain and enhance our business segments;
- Our ability to maintain relationships with third parties such as contract manufacturers for our clothing segment;
- Our recent venture in new business segments;
- Our manufacturing facility being inoperative;
- Our negative cash flows and losses in the past;
- Non-obtaining of insurance coverage;
- Inability to protect the intellectual property that we use;
- Our ability to maintain our market position and to compete effectively against existing or potential competitors;
- Our inability to attract and retain skilled personnel;
- Our ability to manage our operations at our current size or to manage any future growth effectively; and
- Our inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations.

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 20, 89, and 171, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward-looking statements reflect the current views of our Company as at the date of this Letter of Offer and are not a guarantee or assurance of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Accordingly, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct and given the uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

None of our Company, our Directors, the Advisor to the Issue nor any of their respective affiliates has any obligation to update or otherwise revise any statements reflecting circumstances arising after the date of this Letter of Offer or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

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

## SUMMARY OF LETTER OF OFFER

The following is a general summary of the terms of this Issue, and should be read in conjunction with and is qualified by the more detailed information appearing in this Letter of Offer, including the sections titled "**Risk Factors**", "**The Issue**", "**Capital Structure**", "**Objects of the Issue**", "**Industry Overview**", "**Our Business**", "**Outstanding Litigation and Material Developments**" and "**Terms of the Issue**" beginning on pages 20, 413, 51, 52, 611, 89, and 1811 respectively of this Letter of Offer.

### 1. Summary of Industry

Our company is engaged in the following industries: food processing sector (Agro & Winery), clothing sector, infrastructure sector and the energy sector.

*For details, please refer to chapter titled "Industry Overview" on page 61 of this Letter of Offer.*

### 2. Summary of Business

Our company is engaged in the trading business of Life Essentials i.e. Food (agro products including beverages i.e. Wine), clothing (textiles and garments), infrastructure (materials and services for construction and infrastructure development) and energy (materials, products and services for the renewable energy equipment and projects) and other ancillary products and services required to sustain the modern life. However, for now Company is highly focused on its Agro Business.

*For details, please refer to chapter titled "Our Business" on page 89 of this Letter of Offer.*

### 3. Our Promoter

The Promoter of our company is Mr. Vishesh Gupta.

*For further details please see chapter titled "Our Promoters" beginning on page 105 of this Letter of Offer.*

### 4. Objects of the Issue

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

| <i>(₹ in lakhs)</i> |                                      |  |
|---------------------|--------------------------------------|--|
| S. No.              | Particulars                          | Total estimated amount to be utilized (₹ in lakhs) |
| 1.                  | Meeting Working Capital Requirements | 3,660.00   |
| 2.                  | General Corporate Purposes           | 1,217.80   |
| 3.                  | Issue related Expenses               | 115.00   |
|                     | <b>Total</b>                         | <b>4,992.80</b>                                    |

*For further details, please see chapter titled "Objects of the Issue" beginning on page 52 of this Letter of Offer.*

### 5. Intention and extent of participation by our Promoter and Promoter Group in the Issue

The Promoter of our Company, through his letter dated February 22, 2024 has confirmed that, they intend to subscribe in part or to full extent of his Right Entitlements in this Issue and to the extent of the unsubscribed portion (if any) of this Issue and that he shall not renounce his Right Entitlements in accordance with the provisions of Regulation 86 of the SEBI (ICDR) Regulations.

The Promoter has confirmed that he intends to apply for and subscribe to the additional Rights Equity Shares and any Rights Equity Shares offered in the Issue that remains unsubscribed, subject to compliance with the minimum public shareholding requirements, as prescribed under and subject to compliance with the provisions of the Companies Act, the SCRR, SEBI (ICDR) Regulations, SEBI (LODR) Regulations, and SEBI (SAST) Regulations.

Any such subscription for Rights Equity Shares over and above the Rights Entitlement of the Promoter may result in an increase in his shareholding percentage in the Company. The allotment of Rights Equity Shares of the Company subscribed by the Promoter in this Issue shall be eligible for exemption from open offer requirements in terms of Regulation 10(4)(a) and 10(4)(b) of the SEBI (SAST) Regulations. This Issue shall not result in a change of control of the management of our Company in accordance with the provisions of SEBI (SAST) Regulations. Our Company is in compliance with Regulation 38 of the SEBI (LODR) Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

## 6. Summary of Financial Information

Following are the details as per the Restated Consolidated Financial Information as at and for the Financial Years ended on March 31, 2021, March 31, 2022, March 31, 2023 and Nine months ended December 31, 2023:

*(₹ in lakhs)*

| Particulars                                   | December 31, 2023 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
|---|-------------------|----------------|----------------|----------------|
| Authorised Share Capital                      | 12,500.00         | 6,000.00       | 4,100.00       | 1,200.00       |
| Paid-up Capital                               | 4,570.33          | 4,570.33       | 1,089.97       | 1,089.97       |
| Net Worth attributable to Equity Shareholders | 11,232.96         | 7540.88        | (2,910.80)     | (3019.64)      |
| Total Revenue                                 | 19,497.02         | 24,550.15      | 6,860.82       | 0.41           |
| Profit after tax                              | 949.38            | 666.68         | 108.83         | (60.55)        |
| Earnings per Share (basic & diluted) (in ₹)   | 0.21              | 0.15           | 0.10           | (0.17)         |
| Net Asset Value per Equity Share (in ₹)       | 2.45              | 0.04           | (2.67)         | (2.77)         |
| Total Borrowings                              | 85.26             | 2.50           | 2.50           | 2.50           |

Following are the details as per the Restated Standalone Financial Information as at and for the Financial Years ended on March 31, 2021, March 31, 2022, March 31, 2023 and Nine months ended December 31, 2023:

*(₹ in lakhs)*

| Particulars                                   | December 31, 2023 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
|---|-------------------|----------------|----------------|----------------|
| Authorised Share Capital                      | 12,500.00         | 6,000.00       | 4,100.00       | 1,200.00       |
| Paid-up Capital                               | 4,570.33          | 4570.33        | 1,089.97       | 1,089.97       |
| Net Worth attributable to Equity Shareholders | 11212.45          | 7534.68        | (2,910.80)     | (3019.64)      |
| Total Revenue                                 | 19,497.02         | 24,550.15      | 6,860.82       | 0.41           |
| Profit after tax                              | 935.07            | 660.48         | 108.83         | (60.55)        |
| Earnings per Share (basic & diluted) (in ₹)   | 0.20              | 0.14           | 0.10           | (0.17)         |
| Net Asset Value per Equity Share (in ₹)       | 2.45              | 0.04           | (2.67)         | (2.77)         |
| Total Borrowings                              | 85.26             | 2.50           | 2.50           | 2.50           |

7. **Summary of Outstanding Litigations:**

A summary of outstanding litigation proceedings involving our Company, our Directors and our Promoter as on the date of this Letter of Offer is provided below:

(₹ in lakhs)

| Nature of Cases                                  | Number of outstanding cases | Amount Involved* |
|--|-----------------------------|------------------|
| <b><i>Litigation involving our Company</i></b>   |                             |                  |
| Criminal proceedings against our Company         | Nil                         | Nil              |
| Criminal proceedings by our Company              | Nil                         | Nil              |
| Material civil litigation against Company        | Nil                         | Nil              |
| Material civil litigation by our Company         | 1                           | 73.56            |
| Actions by statutory or regulatory authorities   | Nil                         | Nil              |
| Direct and indirect tax proceedings              | 1                           | Nil              |
| <b><i>Litigation involving our Directors</i></b> |                             |                  |
| Criminal proceedings against our Directors       | Nil                         | Nil              |
| Criminal proceedings by our Directors            | Nil                         | Nil              |
| Material civil litigation against our Directors  | Nil                         | Nil              |
| Material civil litigation by our Directors       | Nil                         | Nil              |
| Actions by statutory or regulatory authorities   | Nil                         | Nil              |
| Direct and indirect tax proceedings              | Nil                         | Nil              |
| <b><i>Litigation involving our Promoter</i></b>  |                             |                  |
| Criminal proceedings against our Promoter        | Nil                         | Nil              |
| Criminal proceedings by our Promoter             | Nil                         | Nil              |
| Material civil litigation against our Promoter   | Nil                         | Nil              |
| Material civil litigation by our Promoter        | Nil                         | Nil              |
| Actions by statutory or regulatory authorities   | Nil                         | Nil              |
| Direct and indirect tax proceedings              | Nil                         | Nil              |

\* To the extent quantifiable.

For details, please refer to chapter titled "**Outstanding Litigations and Defaults**" on page 181 of this Letter of Offer.

8. **Risk Factors**

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares of the Company, material litigations which impact the business of the Company and other economic factors please see "**Risk Factors**" on page 20 of this Letter of Offer.

9. **Summary of Contingent Liabilities**

Following are the details as per the Restated Financial Information for the Nine months period ended December 31, 2023 and Restated Financial Information as at and for the Financial Years ended on March 31, 2023, 2022 and 2021.

(₹ in lakhs)

| Particulars   | December 31, 2023 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
|---|-------------------|----------------|----------------|----------------|
| Claims against the Company, not acknowledged as debts | 73.56             | 73.56          | 73.56          | 73.56          |

10. **Summary of Related Party Transactions**

Please refer "**Financial Information**" beginning on page 110 of the Financial Information in this Letter of Offer.

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

Our Company has not made any issuances of Equity Shares in the last one year for consideration other than cash. However, Board of Directors at its meeting held on January 13, 2024 has approved the allotment of 45,70,33,003 Equity Shares of Rs. 1/- each by way of bonus issue to such members whose names have appeared in the Register of Members as on January 11, 2024, being the Record Date fixed for the said purpose, in the proportion of 1 (One) new fully paid-up Equity Share of Rs. 1/- each for every 1 (One) existing fully paid-up Equity Share of Re. 1/- each held by them, (i.e., in the ratio of 1:1). Further pursuant to this allotment issued, subscribed and paid-up equity share capital of the Company has increased from Rs. 45,70,33,003/- to Rs. 91,40,66,006/-.

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

Our Company has not carried any split or consolidation of Equity Shares in last one year. However, earlier to year company in its extra ordinary general meeting held on January 22, 2022 had approved the splitting of 4,00,00,000 (Four Crores) Equity Shares of Rs. 3 (Rupees Three) each and 5,00,000 (Five Lakh) preference shares of Re. 1 (Rupee One) each to Rs. 41,00,00,000 (Rupees Forty-One Crore only) consisting of 40,95,00,000 (Forty Crore and Ninety-Five Lakh) equity shares of Re. 1 (Rupee One) each and 5,00,000 (Five Lakh) preference shares of Re. 1 (Rupee One) each.

## SECTION II - RISK FACTORS

An investment in equity shares involves a high degree of risk. Prospective Investors should carefully consider all the information disclosed in this Letter of Offer, including the risks and uncertainties described below and the **"Financial Statements"** on page 110, before making an investment in the Equity Shares. The risks described below are not the only risks relevant to us or the Equity Shares or the industries in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, cash flows, prospects, results of operations and financial condition. In order to obtain a complete understanding about us, investors should read this section in conjunction with **"Our Business"**, **"Industry Overview"** and **"Management's Discussion and Analysis of Financial Condition and Results of Operations"** on pages 89, 61 and 171, respectively, as well as the other financial information included in this Letter of Offer. If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business, cash flows, prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below.

However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue. The following factors have been considered for determining the materiality: (1) some events may not be material individually but may be found material collectively; (2) some events may have material impact qualitatively instead of quantitatively; and (3) some events may not be material at present but may have material impact in future.

This Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer. Any potential investor in, and purchaser of, the Equity Shares should pay particular attention to the fact that our Company is an Indian company and is subject to a legal and regulatory environment which, in some respects, may be different from that which prevails in other countries. For further information, see **"Forward Looking Statements"** on page 14 of this Letter of Offer.

Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Restated Financial Statements included in this Letter of Offer. For further information, see **"Financial Statements"** on page 110 of this Letter of Offer. In this section, unless the context requires otherwise, any reference to "we", "us" or "our" refers to Integra Essentia Limited.

**Materiality:**

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

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

The financial and other related implications of risks concerned, wherever quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.

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

In this section, unless the context requires otherwise, any reference to "we", "us" or "our" refers to Integra Essentia Limited.

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

**1. *The management and control of the Company has changed pursuant to the Share Purchase Agreement dated March 31, 2021 and Open Offer which closed on June 25, 2021.***

Under the Share Purchase Agreement dated March 31, 2021, the then Promoter and Promoter group of our Company transferred the entire shareholding aggregating to 2,30,90,657 Equity Shares to Mr. Vishesh Gupta, the acquirer, making him the promoter of the Company. Hence, the control of our Company was shifted to Mr. Vishesh Gupta and our management was re-constituted.

Our business operations depend on the experience and expertise of our Management. Our Management may not hold adequate experience in the specific spheres of businesses we are carrying or have recently ventured into. This may affect functioning, and thereby our operational activities. Consequently, our business, revenue generation and profitability may adversely affect.

**2. *The “Promoter/Promoter Group” had requested the company for reclassification of shareholders to the “Public” Category.***

The erstwhile promoters and promoter group of our company has requested the company for reclassification. The Company vide its letter dated 18<sup>th</sup> January 2023 intimated the Stock Exchange for receipt of request of reclassification of “Promoter/Promoter Group” shareholders to the "Public" Category in accordance with Regulation 30 and 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the Promoter/Promoter Group. The aforesaid request is pending before the Exchange. The Application for reclassification of following persons:

1. Ms. Urvi A. Piramal
2. Mr. Rajeev Ashok Piramal
3. Mr. Nandan Ashok Piramal
4. Mr. Harshvardhan Ashok Piramal
5. Ms. Kalpana Singhanian
6. Ashok Piramal Group Textiles Trust

from ‘Promoter’ to ‘Public category’ with BSE Limited & NSE (“the stock exchanges”) is pending for approval.

**3. *Our business involves usage of manpower and any unavailability of our employees or shortage of contract labour or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations.***

Our new business segment i.e. Winery involves usage of manpower and we are dependent on the availability of our permanent employees and the supply of a sufficient pool of labourers. Unavailability or shortage of such a pool of workmen or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations. We may not be able to secure the required number of labourers required for the timely execution of our functions for a variety of reasons including, but not limited to, possibility of disputes with sub-contractors, strikes, less competitive rates. We are subject to laws and regulations relating to employee welfare and benefits such as minimum wage, working conditions, employee insurance, and other such employee benefits and any changes to existing labour legislations, including upward revision of wages required by such state governments to be paid to such contract labourers, limitations on the number of hours of work or provision of improved facilities, such as food or safety equipment, may adversely affect our business and results of our operations. Further, there can be no assurance that disruptions in our business will not be experienced if there are strikes, work stoppages, disputes or other problems with sub-contractors or contract labourers deployed at our projects. This may adversely affect our business and cash flows and results of operations.

**4. *Our Management has recently ventured into new segment.***

We started our journey with carrying the business of trading and garment manufacturing businesses. However, after the change of the control of the Company, our Company ventured into four trading business segments namely Agro products, clothing, infrastructure, and energy. Further Now, company entering into new segment i.e. Winery Sector, which requires strategic planning and efficient use of resources. Due to our limited experience in such segments, we may face unanticipated hurdles with respect to such new initiatives. We may lack sufficient expertise and experience in these segments and this may impose additional strain on our resources



and consume additional time and attention of our senior management. Further, some of these initiatives may fail to commence or may have to be abruptly discontinued at their early stages, due to regulatory, commercial or other reasons such as unavailability of adequate infrastructure for operations. We may also fail to initiate or choose to discontinue the new initiatives if we do not attract significant revenue for continuous years.

The commencement of operations in new business segments and industry verticals is subject to various risks including unfamiliarity with pricing dynamics, competition, service and operational issues as well as our ability to implement strategies, retain key management and employees. There can also be no assurance that we will not experience issues such as capital constraints, difficulties in expanding our operations and challenges in training an increasing number of personnel to manage and operate our expanded business, or that we will be able to successfully manage the impact of our growth on our operational and managerial resources and control systems. We may not be able to successfully manage some or all of the risks associated with such entry into new segments and new industry verticals, which may place us at a competitive disadvantage, limit our growth opportunities and materially and adversely affect our business, results of operations and financial condition.

***5. We continue to explore the diversification of our business and the implementation of new services. These diversifications and our other strategic initiatives may not be successful, which may adversely affect our business and results of operations.***

In order to achieve our goal, we are constantly evaluating the possibilities of expanding our business through new models, innovations and/or starting new services. Although we believe that there are synergies between our current business and our expansion plans, we do have experience or expertise in these new areas. These new businesses and modes of delivery and the implementation of our strategic initiatives may pose significant challenges to our administrative, financial and operational resources, and additional risks, including some of which we are not aware of. The early stages and evolving nature of some of our businesses also make it difficult to predict competition and consumer demand therein. Our strategic initiatives require capital and other resources, as well as management attention, which could place a burden on our resources and abilities. In addition, we cannot assure you that we will be successful in implementing any or all of our key strategic initiatives. If we are unable to successfully implement some or all of our key strategic initiatives in an effective and timely manner, or at all, our ability to maintain and improve our leading market position may be negatively impacted, which may have an adverse effect on our business and prospects, competitiveness, market position, brand name, financial condition and results of operations.

***6. We face intense competition in our businesses, which may limit our growth and prospects. Our Company faces significant competition from other companies.***

We compete on the basis of a number of factors, including execution, depth of product and service offerings, innovation, reputation and price. Our competitors may have advantages over us, including, but not limited to:

- Substantially greater financial resources;
- Longer operating history than in certain of our businesses;
- Greater brand recognition among consumers;
- More diversified operations which allow profits from certain operations to support others with lower profitability.

These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

***7. Any contamination or deterioration of our products and Services could result in legal liability, damage our reputation and adversely affect our business prospects and consequently our financial performance.***

We are subject to various contamination related risks which typically affect our food products (agro products including wine), including risks posed by the following:

- product tampering;
- low shelf life of certain of our products;
- ineffective storage of finished goods as well as raw materials;
- product labelling errors;
- non-maintenance of high food safety standards;

- contamination of our products during processing; and
- wastage of certain products during transportation.

The risk of contamination or deterioration of our products exists at each stage of the life-cycle of our products such as sourcing of raw materials, production and delivery of the final products. Sourcing, storage and delivery of the raw materials poses significant risk in relation to contamination and deterioration in quality. Packaging, storage and delivery of our products to our consumers and the storage and shelving of our products until final consumption by consumers are also subject to such contamination and deterioration risks. While we follow stringent quality control processes and quality standards at each stage of the production cycle such as conducting sampling tests to ensure that the colour, odour, taste, appearance and nutrients of the raw materials, comply with our requirements or regulatory requirements or standards set by our consumers in the export markets, maintain our facilities and machinery, and conduct our manufacturing operations in compliance with applicable food safety standards, laws and regulations and our own internal policies, and though we have, in the past, not materially suffered due to any of the aforementioned, we cannot assure that our products will not be contaminated or suffer deterioration in the future.

We cannot assure that contamination and deterioration of our products or raw materials will not occur during the transportation, and distribution due to ineffective storage facilities or any other reasons including factors unknown to us or beyond our control. If our products or raw materials are found to be amongst others, spoilt, contaminated, adulterated, tampered with, incorrectly labelled or reported to be associated with any such incidents, we may be forced to recall our products from the market and we could incur criminal or civil liability for any adverse medical condition or other damage resulting from consumption of such products by consumers which we may not be able to fully recover from our suppliers or insurance coverages. We may be also be subject to liabilities arising out of such violations under the provisions of the Food Safety and Standards Act, 2006 (“FSS Act”) along with relevant rules and regulations. Though, we have not been subject to such incidents in the past, however, we may be subject to such an event in the future, which may have a material adverse effect on our reputation, business and financial condition.

**8. *Presently, our manufacturing facilities for the manufacturing of garments are inoperative.***

Presently, our company is not carrying manufacturing of textiles and garments on its own but has planning to engaged third parties such as contract manufactures etc. We solely depend upon third parties to cater to the requirements of our customers. Presently the success of our clothing segments depends on, among other things, the ability of these third parties to cater to such requirements. We typically engage these parties for the manufacturing on the basis of the purchase orders received by us. The absence of long-term contracts with such third parties may subject us to risks such as price volatility, unavailability of our products in the short term and failure to deliver on time, which could result in customer dissatisfaction. Further, we cannot assure you that we will be able to enter into new arrangements with third party manufacturers on terms acceptable to us, which could have an adverse effect on our ability to cater to our products in a commercially viable and timely manner, if at all, which may impact our business and profitability.

**9. *If we are unable to source business opportunities effectively, we may not achieve our financial objectives.***

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

**10. Brand recognition is important to the success of our business, and our inability to build and maintain our brand names will harm our business, financial condition and results of operation.**

Brand recognition is important to the success of our business. Establishing and maintaining our brand in the industry or for people relying on services is critical to the success of the customer acquisition process of our business. Although, we expect to allocate significant number of resources, financial and otherwise, on establishing and maintaining our brands, no assurance can be given that our brand names will be effective in attracting and growing user and client base for our businesses or that such efforts will be cost-effective, which may negatively affect our business, financial condition and results of operations.

**11. Our business requires us to obtain and renew certain registrations, licenses and permits from the Government and regulatory authorities and any failure to obtain and renew them in a timely manner may adversely affect our business operations.**

Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. Further, we may require new registrations and approvals for any proposed operations, including any expansion of existing operations. While we believe that we will be able to renew or obtain such registrations and approvals, as and when required, there can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals.

Failure to obtain and renew such registrations and approvals within statutory time frame may attracts non-compliance. Further, such non-compliance may result in penalty/fine against our Company and the Directors, and such actions may directly affect our revenues, profits and operations.

**12. Our Company has reported certain negative cash flows from its Operating, investing and financing activities, details of which are given below. Sustained negative cash flow could impact our growth and business in the future.**

Our Company had reported certain negative cash flows from its investing and financing activities in the previous years as per the restated financial statements and the same are summarized as under:

| Particulars                                | For the period ended March 31 |       |         |
|--|-------------------------------|-------|---------|
|  | 2023*                         | 2022* | 2021*   |
| Net Cash from Operating Activities         | 4093.05                       | 30.57 | (14.49) |
| Net Cash Generated in Investing Activities | (13967.65)                    | 0.43  | -       |
| Net Cash Generated in Financing Activities | 10386.60                      | 8.16  | 14.30   |

*\*Details as per Restated Standalone Financials*

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

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

We have not paid any dividends in the last three Financial Years. Our ability to pay future dividends will depend on our earnings, financial condition and capital requirements. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations.

**14. Our Company has incurred losses in the past.**

Our Company has incurred losses in the past as set out below:

| Particulars                | (INR in Lacs) |                 |                 |                 |
|----------------------------|---------------|-----------------|-----------------|-----------------|
|                            | Dec 31, 2023* | March 31, 2023* | March 31, 2022* | March 31, 2021* |
| Total Comprehensive Income | 935.07        | 660.48          | 108.83          | (60.55)         |

*\*Details as per Restated standalone Financials*

There can be no assurance that our Company will not incur losses in the future, or that there will not be any adverse effect on our reputation or business as a result of such losses. For details, please see "**Restated Financial Statements**" on page 110 of this Letter of Offer.

**15. Significant disruptions in our information technology systems or breaches of data security could adversely affect our business and reputation.**

We may also face cyber threats such as: (i) Phishing and Trojans - targeting our customers, wherein fraudsters send unsolicited codes or mails to our customers seeking account sensitive information or to infect customer machines to search and attempt ex-filtration of account sensitive information; (ii) Hacking – wherein attackers seek to hack into our infrastructure with the primary intention of causing reputational damage to us by disrupting services; (iii) Data theft – This can be internal i.e. by someone who has access to data of our Company or external wherein unconnected cyber criminals may attempt to intrude into our network with the intention of stealing our data or information; and (iv) Advanced persistent threat – a network attack in which an unauthorized person gains access to our network and remains undetected for a long period of time. In the event of a significant decline in the demand for our products, our business, results of operations and financial condition may be materially and adversely affected.

Our systems are potentially vulnerable to data security breaches, whether by our employees, or our service providers or others that may expose sensitive data to unauthorized persons. We process and transfer data, including personal information, financial information and other confidential data provided to us by our clients. Although we maintain systems and procedures to prevent unauthorized access and other security breaches, it is possible that unauthorized individuals could improperly access our systems, or improperly obtain or disclose sensitive data that we process or handle. Data security breaches could lead to the loss of intellectual property or could lead to the public exposure of personal information (including sensitive financial and personal information) of our clients' investors or our employees. Any such security breaches or compromises of technology systems could result in institution of legal proceedings against us and potential imposition of penalties, which may have an adverse effect on our business and reputation.

**16. The nature of our business exposes us to liability claims and contract disputes and our indemnities may not adequately protect us. Any liability in excess of our reserves or indemnities could result in additional costs, which would reduce our profits.**

Time is often of the essence in our business work. In the event there are delays in our current or future service, we will not be able to get extensions from our customers. Further, in some contracts, in case of delay due to deficiency in services by us, clients may have the right to complete the work at our risk and cost by engaging a third party. In the event we fail to perform under the terms of a particular contract, that could adversely affect our financial conditions and business operations. Failure to effectively cover ourselves against any of these reasons could expose us to substantial costs and potentially lead to material losses. In addition, if there is a customer dispute regarding our performance or workmanship, the customer may delay or withhold payment to us.

**17. Substantial portion of our revenues has been dependent upon our few clients. The loss of any one or more of our major clients would have a material effect on our business operations and profitability.**

Our customers include various distributors that market our products and direct sellers. our 10-20 clients accounted for approximately 85% of our total income. The loss of any significant client would have a material effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients/distributors or that we will be able to replace these clients/distributors in case we lose any of them.

Furthermore, major events affecting our clients, such as bankruptcy, change of management, mergers and acquisitions could impact our business. If any of our major clients becomes bankrupt or insolvent, we may lose some or all of our business from that client and our receivable from that client would increase and may have to be written off, impacting our income and financial condition.

**18. *Our Company has not yet applied for the registration of the logo or any of the intellectual property that it uses with the registrar of Trademarks.***

Our Company has not yet applied for the registration of any of the intellectual property that it uses. Any failure to get the same registered in our name may cause any third-party claim and may lead to litigation and our business operations could be affected. Even if our trademarks are registered, we may not be able to detect any unauthorized use or infringement or take appropriate and timely steps to enforce or protect our intellectual property, nor can we provide any assurance that any unauthorized use or infringement will not cause damage to our business prospects.

**19. *We have in the past entered into related party transactions and may do so in the future. We cannot assure you that we could not have achieved more favourable terms if such transactions had not been entered into with related parties.***

We have entered into various transactions with related parties in compliance to all applicable provisions of Companies Act, 2013 and all other applicable laws. While we believe that all such transactions have been conducted on an arm's length basis and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. We cannot assure you that such transactions, individually or in the aggregate will not have an adverse effect on our business, results of operations, cash flows and financial condition resulting from potential conflict of interest or otherwise.

**20. *Our operations are subject to high working capital requirements. Our inability to maintain sufficient cash flow, credit facilities and other sources of funding, in a timely manner, or at all, to meet requirement of working capital or pay out debts, could adversely affect our operations.***

Our business requires significant amount of working capital. Major Portion of our working capital is utilized towards debtors and inventory. Our growing scale and expansion, if any, may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations.

Further, we have high Debtors which may result in a high risk in case of non-payment by these Debtors. In the event we are not able to recover our dues from our Debtors, we may not be able to maintain our sales level and thus adversely affecting our financial health. If this situation persists, we may not be able to pay our lenders / creditors which may result in adversely affecting our operations and future prospects.

**21. *Inventories and trade receivables form a major part of our current assets and net worth. Failure to manage our inventory and trade receivables could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

Our Company's business is working capital intensive and hence, inventories and trade receivables form a major part of our current assets and net worth. The results of operations of our business are dependent on our ability to effectively manage our inventory (raw material and finished goods) and trade receivables. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and purchase new inventory accordingly. However, if our management misjudges expected customer demand, it could cause either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory we manufacture or purchase, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, all of which could have an adverse impact on our income and cash flows.

**22. *Some of the property including Registered Office of company as used by the Company for the purpose of its operations is not owned by us. Any termination of the relevant lease or leave and license agreement in connection with such property or our failure to renew the same could adversely affect our operations.***

Our current registered office situated at 607, 6<sup>th</sup> Floor, Pearls Best Height -II, Netaji Subhash Place, North West Delhi, Delhi, India-110034, which are not owned by us. In our business the most integral part is the location and space of the property. We have obtained this property on lease basis. Periodic renewals of such lease may increase our costs, since it is subject to rent escalation. Any termination of the lease and/or rental deed in connection with these properties or our failure to renew the same, and upon favourable conditions, in a timely manner or at all could adversely affect our operations. For details regarding properties taken on lease refer the Section title our Properties – “Our Business” beginning on page no. 92 of this Letter of Offer.

**23. *We are dependent on third party transportation providers for the delivery of our products.***

We use third party transportation providers for the delivery of our products to our customers. Transportation strikes could have an adverse effect on our ability to deliver our products to our customers. Non-availability of trucks and railway could also adversely affect our delivery of products. While usually the end consumer bears the cost, we may not always be able to pass on these costs to our customers. Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects.

**24. *The success of our business operations depends largely upon our Promoter, Directors, and Key Managerial Personnel, the loss of any of them may negatively impact our business operations and financial conditions.***

Our success is highly dependent on the expertise and services of our Promoter Vishesh Gupta, and other key managerial personnel. Our ability to successfully function and meet future business challenges partly depends on our ability to attract and retain these key managerial personnel. We believe that our relation with our Promoters, who have rich experience in setting up business, developing markets, managing customers and handling overall businesses, has enabled us to experience growth and profitability. We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and are closely involved in the overall strategy, direction and management of our business. Further, our Promoters have also promoted other companies / firms / ventures and may continue to do so. If they divert their attention to the other companies, we may not be able to function as efficiently and profitably as before. We may have to incur additional costs to replace the services of our promoters or we may not be able to do so at all, which could adversely affect our business operations and affect our ability to continue to manage and expand our business.

Further, we also depend significantly on our Key Managerial Persons for executing their day-to-day activities. If our Promoters / Directors or any member of the senior management team is unable or unwilling to continue in his present position, we may not be able to replace him easily or at all, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

**25. *In the event our marketing initiatives do not yield intended result, our business and results of operations may be adversely affected.***

We believe that the recognition and reputation of our brands has contributed to the growth of our business. We intend to continue to enhance the brand recall of our products through the use of targeted marketing and public relations initiatives. In order to maintain and enhance such recognition and reputation, we may be required to invest significant resources towards marketing and brand building exercises, specifically with respect to new products we launch or for geographic markets where we intend to expand our operations. We incur advertising and marketing expenses to increase brand recall and capture additional demand, and in the event, they do not yield their intended results, or we are required to incur additional expenditures than anticipated, our business and results of operations may be adversely affected.

**26. Any failure to maintain effective quality control systems for our supply chain could have a material adverse effect on our business, reputation, results of operations and financial condition.**

The quality and safety of the wine we serve is critical to our success. Maintaining consistent wine quality and preventing food contamination and other health hazards depends significantly on the effectiveness of the quality control systems, policies and guidelines that we, our third-party distributor, approved suppliers of our third-party distributor and our suppliers have in place, which in turn depends on a number of factors, including the design of the quality control systems and employee implementation and compliance with those quality control systems. There can be no assurance that the quality control systems that we, our third-party distributor, approved suppliers of our third-party distributor and our suppliers have in place will prove to be effective. Any significant failure or deterioration of these quality control systems could have a material adverse effect on our business, reputation, results of operations and financial condition and can cause negative publicity that can affect our brand. We could also be subject to civil and/or criminal liability and other regulatory consequences in the event that a health hazard were to be found at any of our restaurants as a result of a failure of the quality control systems that we, our third-party distributor, approved suppliers of our third-party distributor, our suppliers and our sub-franchisees have in place, including the spread of any infection or disease. We may be the subject of public interest litigation in India relating to allegations of such hazards, as well as in cases having potential criminal and civil liability filed by regulatory authorities. If such cases are determined against us, there could be an adverse effect on our reputation, business, results of operations and financial condition.

**27. We face competition in our business from organized and unorganized players, which may adversely affect our business operation and financial condition.**

The market in which our company is doing business is highly competitive on account of both the organized and unorganized players. Players in this industry generally compete with each other on key attributes. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Moreover, the unorganized sector offers their products at highly competitive prices which may not be matched by us and consequently affect our volume of sales and growth prospects. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

**28. Our Company, if not able to manage our growth or to successfully implement our business plan could have an adverse effect on our business, results of operations and financial conditions.**

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. If our Company is not able to execute our strategy on time and within our estimated budget, or that our expansion and development plans fail to generate the required results, it may adversely impact our profitability. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Any failure on our part to scale up our infrastructure and management could cause disruptions to our business and could be detrimental to our long-term business outlook. Further, we operate in a highly dynamic industry, and on account of changes in market conditions, industry dynamics, technological improvements or changes in trends and fashions and any other relevant factors, our growth strategy and plans may undergo changes or modifications, and such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so demands. Our inability to implement our business strategies and sustain our growth may impair our financial growth and thus result in an adverse impact on our Company's share price.

**29. We are dependent on the adequate and timely delivery of quality ingredients, packaging materials and other necessary supplies for our Winery business and if our suppliers fail to provide us with sufficient quality and quantities of ingredients, packaging materials and other necessary supplies, our business, results of operations and financial condition could be adversely affected.**

Our operations are dependent on adequate and timely deliveries of quality ingredients, packaging materials and other necessary supplies that meet our requirements. We depend substantially on approved suppliers from which we and our third-party distributor purchases ingredients and packaging materials. A failure of our suppliers to provide us or our third-party distributor with sufficient quantities of ingredients and packaging materials of adequate quality meeting our standards on a timely basis as a result of shortages, interruptions in

their own supplies, such as those that could be caused by weather or other conditions, or their failure to retain their certification or otherwise could result in a disruption or delay in supply of the ingredients, packaging materials and other necessary supplies that we require for our restaurants. Although we generally believe there are sufficient numbers of alternative suppliers for our ingredients and packaging materials, shortages or other industry-wide disruptions could occur and we may not be able to obtain replacement ingredients or packaging materials of adequate quality or sufficient quantity on commercially agreeable terms in the open market, which could require us to incur additional cost, which could have an adverse effect on our business, results of operations and financial condition. If our agreements with such supplier is terminated or not renewed, we may incur additional costs in relation to the beverages we sell, increasing cost of ingredients or packaging materials and other costs could adversely affect our profitability. Most ingredients used in our products are subject to price fluctuations as a result of inflation, seasonality, global supply and demand, weather conditions, demand in local and international markets, fluctuations in currency exchange rates and tax incentives and other factors. We have no control over fluctuations in the price and availability of ingredients, packaging materials or variations in products caused by these factors and they could impact the prices imposed by our suppliers, making the cost of ingredients or packaging materials more expensive for us and increase the prices of our products for our customers, which may reduce demand and therefore affect our overall financial performance. Any increases in cost of ingredients or packaging materials and other costs including manufacturing cost could have a material adverse effect on our business, results of operations and financial condition. We have no control over fluctuations in the price and availability of ingredients caused by these factors. Although we engage in long-term contracting and undertake other measures to counter act fluctuations in the price of our ingredients and packaging materials, there can be no assurance that we can completely budget for or predict any changes in these prices, which may increase the risk to our business and adversely affect our business, results of operations and financial condition.

**30. *Changes in governmental regulation or public perception with respect to healthy eating habits could adversely affect our business, results of operations and financial condition.***

There is growing concern among consumers, public health professionals and government agencies about the long-term health problems associated with certain conditions, such as obesity and in particular child obesity, diabetes, tooth decay, cardiovascular disease, high cholesterol, high sodium, high trans-fat, high sugar and hypertension in adults which, have been linked to fast food products such as those sold in banquets, restaurants and retails shops. These health concerns may prompt governments in India to introduce new or increase existing taxes on fast food products, such as implementing a sugar tax on soft drinks, sodium content of food or on foods that are linked with obesity, which may increase the prices of, and consequently reduce demand for, the products we sell in our restaurants. There may also be new laws and regulations that may classify our products as ‘unhealthy’ or that may impact the ingredients and nutritional content of our menu offerings or that may require us to disclose more about the nutritional content of our products. Any sudden changes in the regulatory environment relating to our products as a result of these or other developments could require us to implement changes to our operations or alter our menu offerings or could negatively impact our ability to sell and market our products profitably. In addition, negative publicity resulting from public health campaigns and associated government measures may reduce consumer demand for our products and could result in regulatory developments that may adversely impact our ability to promote and advertise our business and communicate effectively with our target customers, which could have an adverse effect on our business, results of operations and financial condition. We cannot make any assurances regarding our ability to respond effectively to changes in governmental regulation or public perception with respect to healthy eating habits. Our failure to respond effectively to these and any other related developments could have an adverse effect on our business, results of operations and financial condition.

**31. *An inability to comply with food safety laws, environmental laws and other applicable regulations in relation to our manufacturing facilities may adversely affect our Winery business, financial condition and results of operations.***

Our business operations, in particular our day-to-day manufacturing operations are subject to a broad range of health, safety and environmental laws and regulations, and violations of these laws and regulations can result in fines, penalties or litigation, which may adversely affect our business, financial condition and results of operations. For instance, the provisions of the Food Safety and Standards Act, 2006 (“FSS Act”) and all rules, regulations and subsidiary legislation are applicable to us and our products, which sets forth scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption and requirements relating to the license and



registration of food. Contravention of the requirement to obtain a license or carry a business without obtaining a license under the FSS Act is punishable with imprisonment for a period of up to three years in ordinary cases and beyond three years in special cases, along with fines. Subsequent contraventions are punishable with twice the punishment during the first conviction and higher monetary and other penalties including cancellation of license. To remain compliant with all laws and regulations that apply to our operations and products, we may be required in the future to modify our operations or make capital improvements.

**32. *There is an outstanding legal proceeding involving our Company***

There is an outstanding legal proceeding involving our Company. Decisions in such proceeding, adverse to our interests, may have a material adverse effect on our business, cash flows, financial condition, and results of operations. Failure to successfully defend these or other claims, or if our current provisions prove to be inadequate, our business and results of operations could be affected.

A summary of outstanding litigation proceedings involving our Company, our Directors and our Promoter as on the date of this Letter of Offer is provided below:

(₹ in lakhs)

| Nature of Cases                                  | Number of outstanding cases | Amount Involved* |
|--|-----------------------------|------------------|
| <b><i>Litigation involving our Company</i></b>   |                             |                  |
| Criminal proceedings against our Company         | Nil                         | Nil              |
| Criminal proceedings by our Company              | Nil                         | Nil              |
| Material civil litigation against Company        | Nil                         | Nil              |
| Material civil litigation by our Company         | 1                           | 73.56            |
| Actions by statutory or regulatory authorities   | Nil                         | Nil              |
| Direct and indirect tax proceedings              | 1                           | Nil              |
| <b><i>Litigation involving our Directors</i></b> |                             |                  |
| Criminal proceedings against our Directors       | Nil                         | Nil              |
| Criminal proceedings by our Directors            | Nil                         | Nil              |
| Material civil litigation against our Directors  | Nil                         | Nil              |
| Material civil litigation by our Directors       | Nil                         | Nil              |
| Actions by statutory or regulatory authorities   | Nil                         | Nil              |
| Direct and indirect tax proceedings              | Nil                         | Nil              |
| <b><i>Litigation involving our Promoter</i></b>  |                             |                  |
| Criminal proceedings against our Promoter        | Nil                         | Nil              |
| Criminal proceedings by our Promoter             | Nil                         | Nil              |
| Material civil litigation against our Promoter   | Nil                         | Nil              |
| Material civil litigation by our Promoter        | Nil                         | Nil              |
| Actions by statutory or regulatory authorities   | Nil                         | Nil              |
| Direct and indirect tax proceedings              | Nil                         | Nil              |

\* To the extent quantifiable.

For details, please refer to chapter titled "***Outstanding Litigations and Defaults***" on page 181 of this Letter of Offer.

**33. *Our inability or failure to recognise, respond to and effectively manage the accelerated impact of social media could materially adversely affect our business.***

In recent years, there has been a marked increase in the use of social media platforms in India, including blogs, social media websites and applications, and other forms of Internet-based communications which allow individuals access to a broad audience of consumers and other interested persons. Many social media platforms immediately publish the content for their subscribers and participants post, often without filters or checks on accuracy of the content posted. The dissemination of inaccurate information online could harm our business, reputation, prospects, financial condition and operating results, regardless of the information's accuracy. The damage may be immediate without affording us an opportunity for redress or correction. Other risks associated with the use of social media include improper disclosure of proprietary information, negative comments about our brands, exposure of personally identifiable information, fraud, hoaxes or malicious exposure of false information. The inappropriate use of social media by our customers or

employees or suppliers or other third parties could increase our costs, lead to litigation or result in negative publicity that could damage our reputation and adversely affect our business, results of operations and financial condition.

34. ***If we are unable to respond to the demands of our existing and new clients, or adapt to technological changes or advances, our business and growth could be adversely affected.***

Our industry is characterized by increasingly complex and integrated infrastructure and services, new and changing business models and rapid technological and regulatory changes. Our clients' needs and demands for our services evolve with these changes. Our future success will depend, in part, on our ability to respond to our clients' demands for new services on a timely and cost-effective basis. We also need to adapt to technological advancements and keep pace with changing regulatory standards to address our clients' increasingly sophisticated requirements. Transitioning to these new technologies may be disruptive to our resources and the services we provide and may increase our reliance on third-party service providers. If we fail to adapt or keep pace with new technologies in a timely manner, provide customers with better services and user experience, or retain and attract skilled technology staff, it could harm our ability to compete, decrease the value of our services to our clients, and adversely affect our business and future growth.

35. ***We have financial indebtedness which could adversely affect our financial condition and results of operations and further we may not be able to meet our obligations under the debt financing agreements.***

Our total outstanding debt is ₹ 11.83 Lakhs consisting of unsecured loans (including unsecured loan of ₹ NIL from Directors & other related parties). If we fail to meet our debt servicing obligations under our financing documents, the relevant lenders could declare us to be in default, accelerate the maturity of our obligations or takeover our Company's movable and immovable assets. We cannot assure investors that in the event of any such acceleration we will have enough resources to repay these borrowings. Failure to meet obligations under debt financing agreements may have an adverse effect on our cash flows, business and results of operations. Our ability to meet our debt service obligations and to repay our outstanding borrowings will depend primarily upon the cash flows generated by our business. We cannot assure you that we will generate enough cash to enable us to service existing or proposed borrowings. Incurring significant indebtedness may limit our flexibility in planning for or reacting to changes in our business & industry and limit our ability to borrow additional funds.

36. ***We have not obtained the insurance coverage to protect against any business risks and this may have an adverse effect on the business operations.***

Operations in our business carry inherent risks of personal injury, damage to or destruction of property, plant and equipment and damage to the environment, and are subject to risks such as fire, theft, flood, earthquakes and terrorism. However, we have not obtained any insurance coverage and are in the process of obtaining the same. The occurrence of any event for which we are not insured, could have an adverse effect on our business, reputation, results of operations, financial condition and cash flows.

However, with changed business environment, we are contemplating to take adequate insurance cover, and the same shall be taken in due course after ascertaining the exact needs and exploring the competitive quotes available in the market.

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

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

38. ***Certain Agreements, deeds or licenses may be in the previous name of the company.***

Our certain agreements, deeds or licenses may be in the name of the erstwhile names of the company. In case we fail to change the name in the agreements, deeds or licenses it may cause adverse effect on Our Company's business & operations. However, our current name i.e., Integra Essentia Limited was approved on February 16, 2022, all the Agreement/ deeds / Licences, signed before this date has been executed with the erstwhile name of the company. Also, there is no application filed for any further name change of the company.

39. ***As the Equity Shares of our Company are listed on BSE & NSE, our Company is subject to certain obligations and reporting requirements under SEBI Listing Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us/our promoter liable to prosecution and/or penalties.***

Our Company is subject to the obligations and reporting requirements under SEBI Listing Regulations. In the past, our Company had complied with all the provisions of the SEBI Listing Regulations. Further our Company did not receive any communication regarding non-compliances from the Stock Exchange or any authority.

## Issue Specific Risks

40. ***We will not distribute this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter to overseas Shareholders who have not provided an address in India for service of documents.***

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circulars our Company will send, only through email, this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares permitted under laws of such jurisdictions and in each case who make a request in this regard. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in overseas jurisdictions. However, the Companies Act, 2013 requires companies to serve documents at any address which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act, 2013 and the rules made thereunder with respect to distribution of Issue Materials in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdictions. While we have requested all the shareholders to provide an address in India for the purposes of distribution of Issue Materials, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act, 2013 and may subject us to fines or penalties.

41. ***SEBI has recently, by way of circulars dated January 22, 2020, May 6, 2020 and January 19, 2021, streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Letter of Offer.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020 and January 19, 2021 and April 22, 2021, and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see "***Terms of the Issue***" on page 192.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialized form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise of Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

42. ***The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholder") may lapse in case they fail to furnish the details of their demat account to the Registrar.***

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

(except in case of transmission or transposition of Equity Shares).

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

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renounees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renounee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, see “Terms of the Issue” on page 192.

**44. *Any future issuance of Equity Shares, or convertible securities or other equity-linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoter or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute your shareholding in our Company; adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoter and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

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

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Equity Shares to the Applicant’s demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant’s decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity

Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline

47. ***You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.***

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

48. ***There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.***

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

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

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

50. ***Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.***

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

51. ***Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may

F significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

**52. *Investors will not have the option of getting the allotment of Equity Shares in physical form.***

*In accordance with the SEBI ICDR Regulations, the Equity Shares shall be issued only in dematerialized form. Investors will not have the option of getting the allotment of Equity Shares in physical form. The Equity Shares Allotted to the Applicants who do not have demat accounts or who have not specified their demat details, will be kept in abeyance till receipt of the details of the demat account of such Applicants. For details, see "Terms of the Issue" on page 192. This may impact the ability of our shareholders to receive the Equity Shares in the Issue.*

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

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

### **External Risk Factors**

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

Summary statements of assets and liabilities as at March 31, 2023 and summary statements of profit and loss (including other comprehensive income), cash flows and changes in equity for the Fiscals 2023 have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Ind AS Rules and, the SEBI Circular and the Prospectus Guidance Note.

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

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

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

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our services may be adversely affected by an economic downturn in domestic, regional and global economies.

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

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

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

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

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

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

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

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

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

The Government of India has issued a notification dated September 29, 2016 notifying Income Computation and Disclosure Standards ("ICDS"), thereby creating a new framework for the computation of taxable income. The ICDS became applicable from the assessment year for Fiscal 2018 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for minimum alternate tax. There can be no assurance that the adoption of ICDS will not adversely affect our business, results of operations and financial condition.

- The General Anti Avoidance Rules ("**GAAR**") have been made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.
- A comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure, which came into effect from July 1, 2017. We cannot provide any assurance as to any aspect of the tax regime following implementation of the GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.

In addition, unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could



result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

Any increase in taxes and levies, or the imposition of new taxes and levies in the future, could increase the cost of production and operating expenses. Taxes and other levies imposed by the central or state governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability.

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

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

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

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

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

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

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

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

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

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

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

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

61. ***Changes in the Government Policy could adversely affect economic conditions in India generally and our business in particular.***

Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

62. ***Any downgrading of India's debt rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

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

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concerns regarding regional stability which could adversely affect the price of the Equity Shares.

In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business.

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

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

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

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

- Any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- Any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- Prevailing income conditions among Indian customers and Indian corporations;
- epidemic or any other public health in India or in countries in the region or globally, including in India's various neighbouring countries;
- Hostile or war like situations with the neighbouring countries;
- Macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- Decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- Downgrading of India's sovereign debt rating by rating agencies; and
- Difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.
- Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or certain regions in India, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

The recent outbreak of Novel Coronavirus has significantly affected financial markets around the world. Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

## SECTION III – INTRODUCTION

### THE ISSUE

This Issue has been authorized through a resolution passed by our Board at its meeting held on November 27, 2023 to raise funds by issuance and allotment of equity shares for aggregate amount of up to Rs. 50 Crore (Rupees Fifty Crore), by way of Right Issue, on such terms to be decided by the Board or a duly constituted committee of the Board at a later date, subject to the approval of shareholders, thereafter, the same was approved via Postal Ballot, Results dated December 29, 2023.

The terms and conditions of the Issue including the rights entitlement ratio, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by the Board of Directors at its meeting held on May 28, 2024 and have been approved by a resolution passed by the Committee Meeting at its meeting held on May 28, 2024. The following is a summary of this Issue, and should be read in conjunction with and is qualified entirely by, the information detailed in the chapter titled "*Terms of the Issue*" on page 192 of this Letter of Offer.

| Particulars   | Details of Equity Shares  |
|---|---|
| <b>Equity Shares proposed to be issued</b>  | Up to 15,36,24,538 Equity Shares  |
| <b>Rights Entitlement</b>   | 20 Equity Share for every 119 fully paid-up Equity Share(s) held on the Record Date   |
| <b>Fractional Entitlement</b>   | For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 119 Equity Shares or is not in multiples of 119, the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement.<br>However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any. |
| <b>Record Date</b>  | Saturday, June 1, 2024  |
| <b>Face value per Equity Shares</b>   | ₹1  |
| <b>Issue Price per Rights Equity Shares</b>   | ₹ 3.25 per Equity Share (including a premium of ₹ 2.25 per Equity Share)  |
| <b>Issue Size</b>   | Issue not exceeding ₹ 4992.80 lakhs<br># Assuming full subscription, to be adjusted as per the Rights Entitlement ratio   |
| <b>Voting Rights and Dividend</b>   | The Equity Shares issued pursuant to this Issue shall rank pari passu in all respects with the Equity Shares of our Company   |
| <b>Equity Shares issued, subscribed and paid up prior to the Issue</b>  | 91,40,66,006 Equity Shares. For details, see "Capital Structure" beginning on page 51 of this Letter of Offer   |
| <b>Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)</b> | Upto 106,76,90,544 Equity Shares<br># Assuming full subscription  |
| <b>Money payable at the time of Application</b>   | ₹ 3.25 per share  |
| <b>Scrip Details</b>  | <b>ISIN:</b> INE418N01035<br><b>Rights Entitlement ISIN:</b> INE418N20035<br><b>BSE:</b> 535958<br><b>NSE:</b> ESSENTIA   |
| <b>Use of Issue Proceeds</b>  | For details, please refer to the chapter titled " <i>Objects of the Issue</i> " on page 52 of this Letter of Offer.   |
| <b>Terms of the Issue</b>   | For details, please refer to the chapter titled " <i>Terms of the Issue</i> " on page 192 of this Letter of Offer.  |

Please refer to the chapter titled "*Terms of the Issue*" on page 192 of this Letter of Offer.

## Issue Schedule

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

| <b>Event</b>                                     | <b>Indicative Date</b>  |
|--|-------------------------|
| Issue Opening Date                               | Tuesday, June 11, 2024  |
| Last Date for On Market Renunciation of Rights** | Thursday, June 20, 2024 |
| Issue Closing Date*                              | Tuesday, June 25, 2024  |

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

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

## GENERAL INFORMATION

Our Company was incorporated as “*Five Star Mercantile Private Limited*” on August 6, 2007 as a private limited Company under the Companies Act, 1956 and was granted the Certificate of Incorporation by the Registrar of Companies, Mumbai. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to “*Five Star Mercantile Limited*” on January 3, 2012 and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Mumbai.

Subsequently, our Company entered into a Composite Scheme of Arrangement and Amalgamation with the division of Morarjee Textiles Limited called ‘the Integra Division’ and Morarjee Holdings Private Limited which was approved by the Hon’ble Bombay High Court vide its order dated June 29, 2012. Consequently, the name of our Company was changed to “*Integra Garments and Textiles Limited*” and a fresh Certificate of Incorporation was issued on August 2, 2012 by the Registrar of Companies, Mumbai.

On July 14, 2021, our Company was acquired by Mr. Vishesh Gupta pursuant to the Share Purchase Agreement and the management of the Company underwent a change. The Company with effect from August 7, 2021 appointed and composed a new Board of Directors and Key Managerial Personnel.

Subsequently, the name of the Company was changed to “*Integra Essentia Limited*” on February 16, 2022 and a fresh Certificate of Incorporation was issued on February 16, 2022 by the Registrar of Companies, Mumbai.

### Registered and Corporate Office, CIN and registration number of our Company

607, 6<sup>th</sup> Floor, Pearls Best Height -II,  
Netaji Subhash Place,  
Delhi, India-110034  
**Telephone:** +91 80762 00456  
**Website:** [www.integraessentia.com](http://www.integraessentia.com)  
**Corporate Identity Number:** L74110DL2007PLC396238  
**Registration Number:** 396238  
**E-mail:** [csigl2021@gmail.com](mailto:csigl2021@gmail.com);  
[cs@integraessentia.com](mailto:cs@integraessentia.com)

### Address of the RoC

Our Company is registered with the RoC, Delhi, which is situated at the following address:

**Registrar of Companies, Delhi**  
4th Floor, IFCI Tower,  
61, Nehru Place,  
New Delhi - 110019

### Company Secretary and Compliance Officer

**Mr. Pankaj Kumar Sharma**  
607, 6<sup>th</sup> Floor,  
Pearls Best Height -II,  
Netaji Subhash Place,  
Delhi, India-110034  
**Telephone:** +91 80762 00456  
**E- mail:** [csigl2021@gmail.com](mailto:csigl2021@gmail.com);  
[cs@integraessentia.com](mailto:cs@integraessentia.com)

### Chief Financial Officer

**Mr. Pankaj Sardana**  
607, 6<sup>th</sup> Floor, Pearls Best Height -II,  
Netaji Subhash Place, Delhi, India-110034  
**Telephone:** +91 7669 2253-10/11  
**E- mail:** [info@integraessentia.com](mailto:info@integraessentia.com)

## Board of Directors of our Company

| Name                   | Age | Designation                        | Address   | DIN      |
|------------------------|-----|------------------------------------|---|----------|
| Mr. Arijit Kumar Ojha  | 43  | Whole-time Director                | A-1/108, Block A-1, Lawrence Road, Keshav Puram, Wazirpur, North West Delhi, Delhi - 110035     | 10265020 |
| Mr. Deepak Kumar Gupta | 49  | Whole-time Director cum CEO        | A-10, Lok Vihar, Saraswati Vihar, Pitampura North West Delhi - 110034                           | 00057003 |
| Mr. Puneet Ralhan      | 42  | Whole-time Director                | E-7/1, DLF Phase-1, Sikanderpur Ghosi (68) Gurgaon, Haryana, India-122002                       | 03588116 |
| Mrs. Sony Kumari       | 32  | Non-Executive Independent Director | E-30B, Flat No. 8, 2nd Floor Chhatarpur Extension Near Suman Chowk, Chattarpur, Delhi 110074    | 09270483 |
| Mrs. Gunjan Jha        | 36  | Non-Executive Independent Director | House No-191, 4th Floor, School Block Shakarpur, L Corner Building Shakarpur, East Delhi-110092 | 09270389 |
| Mr. Anshumali Bhushan  | 48  | Non-Executive Independent Director | H. No. 22, 1st Floor, State Bank Nagar, Paschim Vihar, New Delhi -110063                        | 01258923 |

For detailed profile of our directors, please refer to the chapter titled "**Our Management**" beginning on page 97 of this Letter of Offer.

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

### Registrar to the Company and the Issue:

#### Skyline Financial Services Private Limited

D-153A, 1st Floor, Okhla Industrial Area,  
Phase-I, New Delhi-110020

**Telephone:** 011-40450193/97

**Email:** [admin@skylinerta.com](mailto:admin@skylinerta.com)

**Website:** [www.skylinerta.com](http://www.skylinerta.com)

**Investor grievance e-mail:** [investors@skylinerta.com](mailto:investors@skylinerta.com)

**Contact Person:** Mr. Anuj Rana

**SEBI Registration No.:** INR000003241

**Validity of Registration:** Permanent

### Lead Manager to the Issue

#### Fast Track Finsec Private Limited

Office No. V 116, 1st Floor,  
New Delhi House, 27,  
Barakhamba Road, New Delhi - 110001

**Tel:** 011-43029809; **Website:** [www.ftfinsec.com](http://www.ftfinsec.com)

**Email:** [mb@ftfinsec.com](mailto:mb@ftfinsec.com)

**Contact person:** Ms. Sakshi / Ms. Shefali

**SEBI Registration No.:** INM000012500

**CIN:** U65191DL2010PTC200381

**Banker to the Issue:****HDFC Bank Limited**

FIG-OPS Department – Lodha I Think Techno Campus 0-3 Level

Next to Kanjumarg, Railway Station, Kanjumarg (E), Mumbai - 400042

**Telephone Number:** 022-30752927/28/2914

**Contact person:** Siddharth Jadhav, Eric Bacha, Neerav Desai

**Website:** [www.hdfcbank.com](http://www.hdfcbank.com)

**E-mail:** [siddharth.jadhav@hdfcbank.com](mailto:siddharth.jadhav@hdfcbank.com), [eric.bacha@hdfcbank.com](mailto:eric.bacha@hdfcbank.com), [neerav.desai@hdfcbank.com](mailto:neerav.desai@hdfcbank.com)

**SEBI Registration Number:** INBI00000063

**Statutory and Peer Review Auditor of the Issuer:**

**M/s. A K Bhargav & Co.**

H. No. 103A, New Lahore,

Shastri Nagar, Street No 4

New Delhi-110031

**Contact Person:** Mr. Arun Bhargav

**Firm Registration Number:** 034063N

**Membership No.:** 548396

**Telephone Number:** +91 8860300686

**E-mail:** Caarunbhargav17@gmail.com

**Peer Review Certificate Number:** 014633

**Designated Intermediaries:***Self-Certified Syndicate Banks*

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

**Inter-se Allocation of Responsibilities**

Since Fast Track Finsec Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Lead Managers is not required.

**Expert Opinion**

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

Our Company has received written consent dated February 16, 2024 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Letter of Offer as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor such consent has not been withdrawn as on the date of this Letter of Offer.

**Investor Grievances**

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

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post- Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or DEMAT account, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSB where the application Forms, or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process).



For details on the ASBA process, see "*Terms of the Issue*" beginning on page 192 of this Letter of Offer.

### **Credit Rating**

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

### **Debenture Trustees**

As this is an Issue of Equity Shares, appointment of Debenture Trustee is not required.

### **Monitoring Agency**

As the net proceeds of the Issue will be less than Rs. 10,000 Lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

### **Filing**

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

### **Underwriting Agreement and Details**

This Issue is not underwritten.

### Changes in Auditors during the last three years

| Name of Auditor  | Address and E-mail   | Date of Appointment/<br>Cessation   | Reason   |
|--|--|-------------------------------------|--|
| C.S. Chaubey & Co.<br><br><i>Firm Registration Number: 151363</i>  | 3A/20, Arvind Nagar,<br>Kalina, Santacruz East,<br>Mumbai, Maharashtra-MH-400029<br><br><i>E-mail: <a href="mailto:ca.shekhar@hotmail.com">ca.shekhar@hotmail.com</a></i>        | August 03, 2020<br>(Cessation)      | Change in constitution due to merger, from Proprietorship Concern to Partnership Firm. |
| M/s. Mayur Khandelwal & Co.<br><br><i>Firm Registration Number: 134723W</i><br><br><i>Peer Review Number: 012934</i> | 3A/20, Arvind Nagar,<br>Kalina, Santacruz East,<br>Mumbai, Maharashtra-MH-400029<br><br><i>E-mail: mayur@themkc.in/<br/>camayurkhandelwal@gmail.com</i>                          | September 28, 2020<br>(Appointment) | Appointment pursuant to casual vacancy by previous Auditors                            |
| M/s. Mayur Khandelwal & Co.<br><br><i>Firm Registration Number: 134723W</i><br><br><i>Peer Review Number: 012934</i> | 3A/20, Arvind Nagar,<br>Kalina, Santacruz East,<br>Mumbai, Maharashtra-MH-400029<br><br><i>E-mail: mayur@themkc.in/<br/>camayurkhandelwal@gmail.com</i>                          | July 29, 2022<br>(Cessation)        | Due to shifting of Registered Office of the Company from State of Maharashtra to Delhi |
| M/s. A K Bhargav & Co.<br><br><i>Firm Registration Number: 034063N</i><br><br><i>Peer Review Number: 014633</i>      | H. No. 103A, New Lahore,<br>Shastri Nagar 3A/20, Street No 4,<br>New Delhi-110031<br><br><i>E-mail: <a href="mailto:Caarunbhargav17@gmail.com">Caarunbhargav17@gmail.com</a></i> | August 9, 2022<br>(Appointment)     | Appointment pursuant to casual vacancy by previous Auditors                            |

## Issue Schedule

|   |                         |
|---|-------------------------|
| Last Date for credit of Rights Entitlements                   | Wednesday, June 5, 2024 |
| Issue Opening Date  | Tuesday, June 11, 2024  |
| Last date for On Market Renunciation of Rights Entitlements # | Thursday, June 20, 2024 |
| Issue Closing Date*   | Tuesday, June 25, 2024  |
| Finalization of Basis of Allotment (on or about)              | Friday, June 28, 2024   |
| Date of Allotment (on or about)                               | Saturday, June 29, 2024 |
| Date of credit (on or about)                                  | Tuesday, July 2, 2024   |
| Date of listing or Commencement of trading (on or about)      | Friday, July 5, 2024    |

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

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

The above schedule is indicative and does not constitute any obligation on our Company or the Advisor to the Issue.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., Thursday, June 20, 2024 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., Thursday, June 20, 2024.

Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company, the Advisors or the Registrar will not be liable for any loss on account of non-submission of Application Forms on or before the Issue Closing Date. For details on submitting Application Forms, see "*Terms of the Issue - Procedure for Application*" beginning on page 192 of this Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar at <https://www.skylinerta.com> after keying in their respective details along with other security control measures implemented thereat. For further details, see "*Terms of the Issue- Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" beginning on page 192 of this Letter of Offer.

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

## Minimum Subscription

The objects of the Issue involve financing other than financing of capital expenditure for a project and our Promoters and members of our Promoter Group have undertaken to (i) subscribe to the full extent of their respective Rights Entitlements, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR; and (ii) have also confirmed that they shall not renounce their Rights Entitlements, except to the extent of renunciation within the promoter group. Accordingly, in terms of the SEBI ICDR Regulations, the requirement of minimum subscription in the Issue is not applicable.

## Appraising Entity

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

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## CAPITAL STRUCTURE

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

| No.       | Particulars  | Amount (in ₹ Lakhs, except share data) |                                |
|-----------|--|--|--------------------------------|
|           |  | Aggregate value at Nominal value       | Aggregate value at Issue Price |
| <b>A.</b> | <b>Authorised Share Capital</b>  |  |                                |
|           | 125,00,00,000 Equity Shares of ₹1 each*  | 12,500.00                              | NA                             |
| <b>B.</b> | <b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>   |  |                                |
|           | 91,40,66,006 Equity Shares of ₹1 each  | 9,140.66                               | NA                             |
| <b>C.</b> | <b>Present Issue in terms of this Letter of Offer<sup>(1)</sup></b>  |  |                                |
|           | Up to 15,36,24,538 Equity Shares, at a price of ₹ 3.25 per Equity Share (including premium of ₹ 2.25 per Equity Share) | 4992.80                                | NA                             |
| <b>D.</b> | <b>Issued, Subscribed and Paid-Up Share Capital after the Issue</b>  |  |                                |
|           | 106,76,90,544 Equity Shares of ₹1 each fully paid up   | 10676.90                               | NA                             |
| <b>E.</b> | <b>Securities Premium Account<sup>§</sup></b>  |  |                                |
|           | Before the Issue   | 1762.57                                |                                |
|           | After the issue <sup>(2)</sup>   | 5219.12                                |                                |

\*increased by members approval obtained through postal ballot notice dated November 27, 2023

§ Security Premium as on December 31, 2023 was 6332.90 Lacs but post December company has allotted Bonus equity shares and capitalized 4570.33 Lacs against Bonus Issue.

# Assuming full subscription for and Allotment of the Equity Shares

(1) The present Issue has been authorised by the Board of Directors vide a resolution passed at its meeting held on November 27, 2023

(2) The Equity Share Capital after the Issue includes the full value of the Rights Equity Shares allotted in the Issue.

(3) Company has issued 45,70,33,003 Bonus Shares on January 13, 2024 in the ration of 1:1 to its existing shareholders.

### Notes to Capital Structure

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

As on date of this Letter of Offer, our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme. Further, it has not issued any convertible securities which are outstanding as of date of this Letter of Offer.

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

Our Promoter has undertaken to subscribe, to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other person. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares is exempt in terms of Regulation 10(4)(b) of the Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations.

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

3. The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the Takeover Regulations is ₹3.75 per equity share.
4. Shareholding Pattern of our Company as per the last filing with the Stock Exchanges in compliance with the provisions of the SEBI Listing Regulations:
  - (i) The shareholding pattern of our Company:
    - Post Bonus Allotment as on January 13 , 2024, can be accessed on the website of the BSE [here](#); and the NSE [here](#).
    - As on December 31, 2023, can be accessed on the website of the BSE [here](#); and the NSE [here](#).
    - As on March 31, 2024, can be accessed on the website of the BSE [here](#); and the NSE [here](#).
  - (ii) The statement showing holding of Equity Shares of persons belonging to the category "Promoter and Promoter Group" including the details of lock-in, pledge of and encumbrance thereon, as on March 31, 2024, can be accessed on the website of the BSE [here](#) and the NSE [here](#).
  - (iii) The statement showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category "Public" including Equity Shareholders holding more than 1% of the total number of Equity Shares as on March 31, 2024, as well as details of shares which remain unclaimed for public can be accessed on the website of the BSE [here](#) and the NSE [here](#).
5. Details of shares locked-in, pledged, encumbrance by promoters and promoter group:
 

The details of shares locked-in, pledged, encumbrance by Promoters and Promoter Group can be accessed on the website of the BSE [here](#) and the NSE [here](#).
6. At any given time, there shall be only one denomination of the Equity Shares of our Company.
7. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Letter of Offer. Further, the Equity Shares allotted pursuant to the Issue, shall be fully paid up
8. Details of specified securities acquired by our Promoters and Promoter Group in the last one year immediately preceding the date of filing of this Letter of Offer:

| S. No. | Name of Promoter & Promoter Group | Number of Equity Shares acquired | Mode of Acquisition                                       | Date of Acquisition            |
|--------|-----------------------------------|----------------------------------|---|--------------------------------|
| 1.     | Mr. Vishesh Gupta                 | 6,92,71,971 <sup>§</sup>         | Pursuant to Share Purchase Agreement dated March 31, 2021 | July 08, 2021 to July 14, 2021 |
| 2.     | Mr. Vishesh Gupta                 | 474 <sup>§</sup>                 | Pursuant to open offer                                    | July 08, 2021                  |
| 3.     | Mr. Vishesh Gupta                 | 1,10,00,000                      | Right Issue*  | June 20, 2022                  |
| 4.     | Mr. Vishesh Gupta                 | 1,48,50,401                      | Right Issue*  | December 20, 2022              |
| 5.     | Mr. Vishesh Gupta                 | 9,51,22,846                      | Bonus Issue <sup>#</sup>                                  | January 13, 2024               |
|        | <b>Total</b>                      | <b>19,02,45,692</b>              |   |                                |

\*Our Promoter Mr. Vishesh Gupta has acquired shares through Right Issue against his entire entitlement.

#Further Company allotted Bonus shares on January 13, 2024 in the ration of 1:1 to its existing shareholders.

§Earlier Equity share was having face Value of Rs. 3 each and Now its Rs. 1 each, accordingly adjustment made to the Number of Equity shares.

## OBJECTS OF THE ISSUE

The Issue comprises of an issue of up to 15,34,26,538 Equity Shares, aggregating up to ₹ 4,992.80 lakhs by our Company. For details see "*The Issue*" beginning on page 43 of this Letter of Offer.

Our Company intends to utilize the Net Proceeds from this Issue towards the following objects: The objects of the issue are:

1. To meet working capital requirements of our Company; and
2. General Corporate Purposes.

(collectively, referred to hereinafter as the "**Objects**")

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

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

### The details of objects of the Issue

| Particulars                      | Amount (in lakhs) |
|----------------------------------|-------------------|
| Gross proceeds from the Issue*   | 4,992.80          |
| Less: Issue related expenses     | 115.00            |
| <b>Net Proceeds of the Issue</b> | <b>4877.80</b>    |

\*Assuming full subscription in the Issue and receipt of subscription amount with respect to the Rights Equity Shares and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

### Requirement of Funds:

The intended use of the Net Proceeds of the Issue is as under: -

| S. No.       | Particulars                           | Total estimated amount to be utilized (₹ in lakhs) |
|--------------|---------------------------------------|--|
| 1.           | Meeting Working Capital Requirements* | 3,660.00   |
| 2.           | General Corporate Purposes**          | 1,217.80   |
| 3.           | Issue related expenses                | 115.00   |
| <b>Total</b> |                                       | <b>4,992.80</b>                                    |

\* to be used in various business segments working capital requirement with full fungibility

\*\*Subject to the finalization of the Basis of Allotment and the Allotment. The amount utilised for general corporate purposes shall not exceed 25% of the Issue Proceeds

### Means of Finance

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

### Utilization of Net Proceeds

| S. No.       | Particulars                            | Total estimated amount to be utilized (₹ in lakhs) |
|--------------|--|--|
| 1.           | Meeting Working Capital Requirements** | 3,660.00   |
| 2.           | General Corporate Purposes*            | 1,217.80   |
| <b>Total</b> |  | <b>4,877.80</b>                                    |

\*Subject to the finalization of the Basis of Allotment and the Allotment. The amount utilised for general corporate purposes shall not exceed 25% of the Issue Proceeds.

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

## Details of the Objects of the Issue

The details in relation to objects of the Issue are set forth herein below.

### 1. Meeting Working Capital Requirements

Our business is predominantly working capital intensive. We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, however this time to strengthen the margins and financials strength of the Company we proposes to part fund the Working Capital Requirements from the net proceeds of proposed Right Issue as details herein below:

(₹ in lakhs)

| No. | Particulars                          | Total estimated amount to be utilized |
|-----|--------------------------------------|---------------------------------------|
| 1.  | Meeting Working Capital Requirements | 3,660.00                              |

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

The details of Working Capital Requirement is as under:

(₹ in lakhs)

| S. No.   | Particulars  | As at          | As at               | As at           | As at             | As at               | As at                      |
|----------|--|----------------|---------------------|-----------------|-------------------|---------------------|----------------------------|
|          |  | March 31, 2021 | March 31, 2022      | March 31, 2023  | December 31, 2023 | March 31, 2024      | March 31, 2025             |
|          |  | Restated       | Restated            | Restated        | Restated          | Estimated           | Projected                  |
| <b>A</b> | <b><u>Current Assets</u></b>   |                |                     |                 |                   |                     |                            |
|          | a) Inventories   | -              | -                   | -               | -                 | 100.00              | 3250.00                    |
|          | b) Trade receivables   | 0              | 789.7               | 1034.79         | 3208.79           | 3100.00             | 6665.00                    |
|          | c) Cash & cash equivalents   | 5.78           | 44.07               | 556.42          | 377.98            | 425.00              | 670.00                     |
|          | d) Other Assets  | 0.14           | 853.86              | 3170.57         | 2228.28           | 2430.00             | 3200.00                    |
|          | <b>Sub-total (A)</b>   | <b>5.92</b>    | <b>1687.64</b>      | <b>4761.79</b>  | <b>5815.04</b>    | <b>6055.00</b>      | <b>13785.00</b>            |
| <b>B</b> | <b><u>Current Liabilities</u></b>                                    |                |                     |                 |                   |                     |                            |
|          | a) Borrowings  | 2859.3         | 2872.03             | 3445.6          | 644.37            | 650.00              | 650.00                     |
|          | b) Trade Payables  | 2.12           | 1442.61             | 2408.25         | 4861.71           | 3700.00             | 4300.00                    |
|          | c) Other current Liabilities   | 171.4          | 281.95              | 2699.37         | 1774.38           | 1620.00             | 1640.00                    |
|          |  | <b>3032.83</b> | <b>4596.59</b>      | <b>8553.22</b>  | <b>7280.47</b>    | <b>5970.00</b>      | <b>6590.00</b>             |
|          | Less: Liabilities towards Debentures Issued for Long term period.    | 3008.39        | 3006.50             | 3010.86         | -                 | -                   | -                          |
|          | <b>Sub-total</b>   | <b>24.43</b>   | <b>1590.09</b>      | <b>5542.36</b>  | <b>7280.46</b>    | <b>5970.00</b>      | <b>6590.00</b>             |
| <b>C</b> | <b>Net Working Capital (A-B)</b>                                     | <b>(18.51)</b> | <b>97.54</b>        | <b>(780.58)</b> | <b>(1465.41)</b>  | <b>85.00</b>        | <b>7195.00</b>             |
| <b>D</b> | <b>Working Capital Gap</b>   |                |                     |                 |                   |                     | <b>7110.00<sup>^</sup></b> |
|          | <b>Funding Pattern</b>   |                |                     |                 |                   |                     |                            |
|          | Funding through Internal Accruals/Other Borrowings                   |                | 97.54 <sup>\$</sup> |                 |                   | 85.00 <sup>\$</sup> | 3450.00                    |
|          | Working Capital funding through Rights Issue proceeds to be utilized |                |                     |                 |                   |                     | 3660.00                    |

\*Details as Per Restated Standalone Balance Sheet



§Being in largely in trading activities, historically, our net working capital have been negative, however in FY21-22 we had positive Net Working Capital of Rs. 97.54 Lakhs, which were funded through the internal accruals (PAT of FY21-22 was Rs. 108.83 Lakhs). Also, 85.00 Lakhs of the FY23-24 is also funded through the internal accruals of the company.

^Further, for FY24-25, with the change in business from trading to winery business, we are estimating net working capital of Rs. 71.10 Crore, and out of which Rs. 36.60 Crores shall be founded through the proceeds of the proposed Rights Issue, and remaining amount of Rs. 34.50 Crores shall be funded/met by the Company from its own funds (without borrowings).

### **Assumptions of working capital requirements and their justification**

To expand its business, strengthen its supply chain, and as a part of its pre-defined long-term business growth strategy and to strengthen its presence in entire supply chain spectrum of consumable goods, the Company acquired assets of CHATEAU INDAGE Winery situated in Narayangaon, Maharashtra, a strategic location having optimum climate for grape cultivation, known for its world-class high-quality grapes and has entered into **WINERY BUSINESS**.

The facilities acquired comprises the following:

- (a) Winery Land of 58,612 square metres
- (b) Winery Buildings of 16,629 square metres RCC, fully insulated, and
- (c) Winery Equipment, including
  - 60 lakh litres stainless steel storage,
  - 4 bottling lines,
  - 2 crushers/pressers,
  - online cold stabilization and filtration etc.

The facility is surrounded by thousands of acres of planted vineyards, which 'll enable the Company to have easy access to quality grapes, perfectly ripened harvest to release the juices through crushing in its purchased processing units, winery to be run either individually or in a joint venture with some other industry player.

These facilities have capabilities of

- 90 Tonnes of Crushing and Pressing per hour,
- filtration capacity of 12,500 litres per hours,
- Cold Stabilization capacity of 5,850 litres per hour
- 63,40,820 litres tank storage and
- 27,08,000 litres finished and semi-finished wines in bottles.

Hence, **working capital requirements of the company for FY25 and subsequent years have been estimated after considering the winery operations, which necessitate the need to keep sufficient stock to maintain smooth supplies across the seasons, extend longer and relaxed credit terms to its customers, and keep adequate provisions for overheads etc.**

### **Inventory Days:**

In Winery Business, harvesting season starts in November/December and goes upto March of the subsequent year, February to April is planned for Processing and Fermentation, post that Blending commences, then ageing in production Barrales, Stabilization and Filtration comes, and then comes bottling and labelling.

This is a long-time sensitive process and as such requires at least 4 months inventories holding period, followed in the entire industry, though we are having some ready stock and targeting only local operations, we estimated **average 60 days inventory holding levels** (30 days in form of inventory and 30 days as other

process materials) which is considering the levels of operations projected and business model adopted, are reasonable and justified.

**Receivables/Debtors days:**

With addition of new business activity explained herein above, to penetrate into the market, the Company need to extend credit/relaxed payment terms, has to fund the transit period, that will result into increase in debtors’ days going forward.

And accordingly, we have estimated **debtors’ levels at 44 days and 62 days in our projected financials for financial year 2023-2024 and 2024-25 respectively**, which is with the increased estimated levels of operations, and new business activity, generally accepted credit trends of winery industry trends and prevailing payment terms in the market are justified.

**Trade Payables Days:**

Whereas on supply side every business has limited suppliers who extend credits, but they generally keep upper cap of supplying goods on credit (both in terms of amount and period), so creditors in terms of days does not increase in proportion of the increase in scale of operations.

Though, Trade Payables days have been very high in recent past, but with the change in company’s business and ongoing discussions for vendors, wherein it would be more beneficial to buy on cash/lesser credit period (as the same would ensure uninterrupted supplies, on finer pricing) we have estimated **creditor days at 57 days for financial year 2023-24 and 45 days in financial year 2024-25.**

**Short-Term Loans & Advances and Other Current Assets:**

Short Term Loans and advances includes advances to suppliers and advance to employees. We expect Short Term Loans and Advances to increase commensurate with the business volumes, to ensure uninterrupted availability of resources and cost effectiveness. Similarly, Other current assets, includes GST (ITC Balance), Income Tax Refund Receivables, Prepaid Expenses, shall increase in line with the volume of business.

**Assumption of Holding Period**

The estimates of the working capital requirements for the Financial Years ended March 31, 2024 and March 31, 2025 have 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.

The table below sets forth the details of holding levels (in days) for Fiscal 2023, and Fiscal 2022 on the basis of audited financial statements and the estimated holding levels (in days) for the Fiscal 2024 and the assumptions based on which the working plan projections has been made and approved by our Board of Directors:

| S.No | Particulars                     | Number of Days for the year ended |                         |                         |                            |                            |
|------|---------------------------------|-----------------------------------|-------------------------|-------------------------|----------------------------|----------------------------|
|      |                                 | March 31, 2021 (Actual)           | March 31, 2022 (Actual) | March 31, 2023 (Actual) | March 31, 2024 (Estimated) | March 31, 2025 (Projected) |
| 1.   | Trade receivables               | 0                                 | 42                      | 15                      | 44                         | 62                         |
| 2.   | Cash & cash equivalents         | 0                                 | 2                       | 8                       | 6                          | 6                          |
| 3.   | Other current assets            | 0                                 | 45                      | 47                      | 34                         | 30                         |
| 4.   | Inventories and Contract assets | 0                                 | 0                       | 0                       | 1                          | 30                         |
| 5.   | Trade payables                  | 0                                 | 78                      | 37                      | 57                         | 45                         |
| 6.   | Other current liabilities       | 0                                 | 6                       | 38                      | 23                         | 15                         |

## 2. General Corporate Purpose

We intend to deploy ₹1220 Lakhs from gross proceeds of the Rights Issue towards general corporate purposes. The general corporate purposes for which our Company proposes to utilize issue proceeds include but not restricted to entering into brand building exercises and strengthening our marketing capabilities, general maintenance, partnerships, tie-ups or contingencies in ordinary course of business which may not be foreseen or any other purposes as approved by our Board of Directors, however utilization of the proceeds earmarked for general corporate purposes will be done in compliance with all applicable laws and regulations. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. However, not more than 25% of the gross proceeds of the issue would be deployed for the General Corporate purposes.

## 3. Expenses for the issue

The Issue related expenses consist of fees payable to Legal Counsel, processing fee to the SCSBs, Registrars to the Issue, printing and stationery expenses, advertising expenses and all other incidental and miscellaneous expenses for listing the Rights Equity Shares on the Stock Exchanges. Our Company will need approximately ₹115.00 lakhs towards these expenses, a break-up of the same is as follows:

| Activity   | Estimated Expense | % of Total Expenses | (₹ in lakhs)         |
|--|-------------------|---------------------|----------------------|
|  |                   |                     | As a % of Issue size |
| Fees payable to the intermediaries (including Legal Counsel fees, selling commission, registrar fees and expenses) | 20.00             | 17.40 %             | .40%                 |
| Advertising, Printing, stationery and distribution Expenses  | 5.00              | 4.30 %              | .10%                 |
| Statutory and other Miscellaneous Expenses   | 90.00             | 78.30 %             | 1.80%                |
| <b>Total</b>   | <b>115.00</b>     | <b>100%</b>         | <b>2.30%</b>         |

### Appraisal

None of the Objects of the Issue have been appraised by any bank or financial institution.

### Schedule of Implementation and Deployment of Funds

As estimated by our management, the entire proceeds received from the issue would be utilized during FY 2024-25.

### Deployment of Funds towards the Objects of the Issue

We have incurred 78.50 Lakhs up to February 26, 2024 towards the Objects of the Issue which has been certified by A K Bhargav & Co., vide his certificate dated February 26, 2024. The said amount has been met by the Company from its own resources and the same will be adjusted against the issue proceeds.

### Bridge Financing Facilities

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

### Monitoring of Utilization of Funds

Since the proceeds from the Issue are less than ₹10,000 lakhs, in terms of Regulation 82(1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for this Issue. However, as per SEBI Listing Regulation, the Rights Issue Committee appointed by the Board would be monitoring the utilization of the proceeds of the Issue. The Company will disclose the utilization of the Issue Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. The Company will indicate investments, if any, of unutilized Issue Proceeds in the Balance Sheet of the Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Clause 32 of the SEBI Listing Regulation, the Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. In accordance with Clause 32 of the SEBI Listing Regulation, the Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement on material deviations, if any, in the utilization of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results after placing the same before the Audit Committee.

#### **Interim Use of Proceeds**

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds subject to the compliance of applicable laws and regulations. Pending utilization of the Net Proceeds for the purposes described above, our Company intends to deposit the Net Proceeds only with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934 or make any such investment as may be allowed by SEBI from time to time.

#### **Interest of Promoters, Promoter Group and Directors, as applicable to the objects of the Issue**

Our Promoters, Promoter Group and Directors do not have any interest in the objects of the Issue.

#### **Clause for Promoter Subscription**

Our Promoter and Promoter Group, (the "Promoter and Promoter Group Letters"), have confirmed to

- (i) subscribe to the full extent of their Rights Entitlements and have also confirmed that they shall not renounce their Rights Entitlements (except to the extent of Rights Entitlements renounced by any of them in favour of any other member(s) of the Promoter and Promoter Group);
- (ii) also subscribe to Rights Equity Shares for the Rights Entitlements, if any, which are renounced in their favour by any other member(s) of the Promoter and Promoter group; and
- (iii) in the event of any under-subscription of the Issue, to subscribe to additional Rights Equity Shares to the extent of at least minimum subscription of the Issue Size, subject to compliance with the minimum public shareholding as prescribed under the Securities Contracts (Regulation) Rules, 1957.

Any acquisition of Rights Equity Shares by Promoter & Promoter Group of the Company, over and above their Rights Entitlements, as applicable, or subscription to any unsubscribed portion of this Issue will not result in a change or control of the management of the Company and will not result in non-compliance or violation of any applicable laws.

#### **Strategic or financial partners**

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

#### **Variation in objects**

In accordance with applicable provisions of the Companies Act, 2013 and applicable rules, except in circumstances of business exigencies, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the 'Postal Ballot Notice') shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where the Registered Office is situated.

#### **Key Industry Regulations for the objects of the issue**

No additional provisions of any acts, regulations, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

**Other Confirmations**

Except as disclosed above, there are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Promoters, Directors or Key Management Personnel of our Company and no part of the Net Proceeds will be paid as consideration to any of them. Except disclosed above, none of our Promoters, members of Promoter Group or Directors are interested in the Objects of the Issue. No part of the proceeds from the Issue will be paid by the Company as consideration our directors, or Key Managerial Personnel. Our Company does not require any material government and regulatory approvals in relation to the Objects of the Issue.

## STATEMENT OF SPECIAL TAX BENEFITS

### STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS AS PER THE CERTIFICATE ISSUED BY STATUTORY AUDITORS OF THE COMPANY

The Board of Directors,  
**INTEGRA ESSENTIA LIMITED**  
(*"Formerly known as Integra Garments and Textiles Limited"*)  
607, 6<sup>th</sup> Floor, Pearls Best Height -II,  
Netaji Subhash Place, Delhi-110034

Dear Sirs,

**Sub: Statement of possible special direct tax benefits available to Integra Essentia Limited ("the Company") and its shareholders ("the Statement").**

We hereby confirm that the enclosed statement states the possible special direct tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ("**Act**") as amended from time to time, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may or may not choose to fulfil.

This statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the rights issue of equity shares of the Company particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither are we suggesting nor are we advising the investor to invest money based on this statement.

The contents of the enclosed statement are based on the information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company. We do not express any opinion or provide any assurance as to whether:

1. The Company or its shareholders will continue to obtain these benefits in future; or
2. The conditions prescribed for availing the benefits, where applicable have been/would be met.

This statement is intended solely for information and for inclusion in the *Letter of Offer* in relation to the Issue of equity shares of the Company and is not to be used, circulated or referred to for any other purpose without our prior written consent. Our views are based on the existing provisions of law referred to earlier and its interpretation, which are subject to change from time to time.

We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

**For A K Bhargav & Co**  
**Chartered Accountants**  
**Firm Registration No: 034063N**

Sd/-  
**Arun Bhargav**  
**Proprietor**  
**M No.: 548396**  
**UDIN: 24548396BKAKID5205**

**Date: 16.02.2024**

**Place: Delhi**

**Statement of Special Tax Benefits available to the Company & its Shareholder under the Income Tax Act, 1961 and other Direct Tax Laws presently in force in India**

**Special Tax Benefits**

**I. Benefits available to the Company**

There are no special tax benefits available to the Company.

**II. Benefits available to the Shareholders**

There are no special tax benefits available to the shareholders for investing in the proposed right issue of shares of the Company.

**For A K Bhargav & Co  
Chartered Accountants  
Firm Registration No: 034063N**

**Sd/-**

**Arun Bhargav**

**Proprietor**

**M No.: 548396**

**UDIN: 24548396BKAKID5205**

**Date: 16.02.2024**

**Place: Delhi**

## SECTION IV – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information contained in 'Industry Overview' in this section is derived from publicly available sources. Neither we, nor any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.*

*Shareholders should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, shareholders should read this Letter of Offer, including the information in the sections "Risk Factors" and "Financial Information" beginning on pages 20 and 110, respectively of this Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' beginning on page 20 of this Letter of Offer.*

### GLOBAL ECONOMY

The global economy continues to confront the challenges of inflation and low growth prospects. GDP growth has been stronger than expected so far in 2023, but is now moderating on the back of tighter financial conditions, weak trade growth and lower business and consumer confidence. Risks to the near-term outlook remain tilted to the downside and include heightened geopolitical tensions, for example due to the evolving conflict following Hamas' terrorist attacks on Israel; and a larger-than-expected impact of monetary policy tightening. On the upside, growth could also be stronger if households spend more of the excess savings accumulated during the pandemic.



The crowding-in effects of sustained increase in government capex over recent years is expected to spur higher private investment in 2023-24. In the Union Budget 2023-24, budgeted capital expenditure has increased by 37.4 per cent, with the railways receiving the highest ever capital outlay of 2.4 lakh crore. The allocation of interest free loans to states for capital expenditure has also been enhanced to `1.3 lakh crore from `1.0 lakh crore in the previous year. The entire loan amount will have to be spent in 2023-24 and a share of these loans will be contingent on states increasing their actual capital expenditure. Besides higher allocation for capex, the Union Budget 2023-24 has announced several measures, which are likely to provide a fillip to the growth momentum such as diversification and promotion of allied sectors; boosting logistics infrastructure for last-mile connectivity; export promotion; cooperative-based development; strengthening agricultural extension services through digital public infrastructure; and spurring private investment through Agri-Startups. Private investment growth is also expected to strengthen with the production-linked incentive (PLI) scheme providing additional fillip. Various other steps to enhance logistics efficiencies and cost competitiveness under the Prime Minister's Gati Shakti and the National Logistics Policy (NLP) are expected to bring down logistics costs.

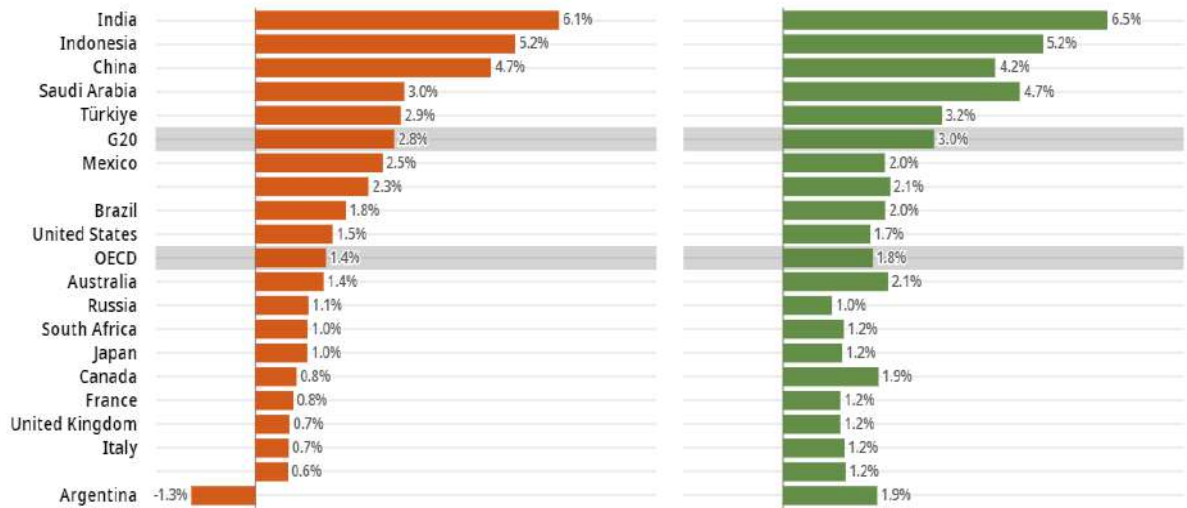
Global growth is projected to be 2.9% in 2023, and weaken to 2.7% in 2024. As inflation abates further and real incomes strengthen, the world economy is projected to grow by 3% in 2025. Global growth remains highly dependent on fast-growing Asian economies.



# GDP growth projections for 2024 and 2025

% , year-on-year

G20 economies    OECD countries



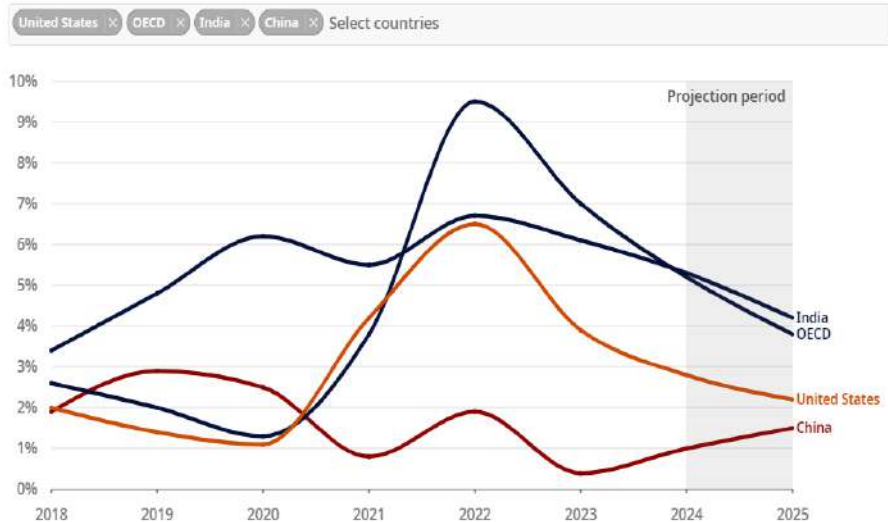
Source: OECD Economic Outlook, November 2023.



In the absence of further large shocks to food and energy prices, projected headline inflation is expected to return to levels consistent with central bank targets in most major economies by the end of 2025. Annual OECD headline inflation is expected to fall gradually to 5.2% and 3.8% in 2024 and 2025 respectively, from 7.0% in 2023.

## Headline inflation

% , year-over-year



Source: OECD Economic Outlook, November 2023.

The Indian economy exhibited robust resilience in 2022-23 amidst a global turmoil following the war in Ukraine, and recorded a growth of 7.0 per cent, the highest among major economies in the world. Barring the Omicron wave scare early in the year 2022, COVID-19 was largely on the ebb for most part of the year helping in restoration of consumer and business confidence. Contact-intensive activity gradually resuscitated during the year and the release of pent-up demand bolstered domestic activity. Sound macroeconomic fundamentals, a resilient financial system reflected in healthy balance sheets of banks and non-banking financial companies (NBFCs), and a deleveraged corporate sector imparted resilience to counter the adverse global spillovers.

India exhibited robust growth in 2022-23 amidst prevailing global headwinds. Sound domestic macro-fundamentals, fiscal policy thrust on capex, healthy balance sheets of the corporate sector and the financial sector, and structural reforms announced and implemented over the recent years by the government have strengthened resilience of the economy, besides stepping up the growth momentum. Subdued external demand conditions operated as a drag. Labour market conditions normalised, and unorganised sector activity returned to expansion zone in 2022-23. The universal vaccination programme of the government - one of the largest mass vaccination drives in the world, involving more than two billion doses - helped in improving consumer and business confidence.

For 2023-24, the Union Budget has prioritised capital expenditure to accelerate growth while maintaining fiscal prudence to strengthen macroeconomic stability. Reiterating its commitment to reduce gross fiscal deficit (GFD) below 4.5 per cent of GDP by 2025-26, the government has budgeted GFD at 5.9 per cent of GDP<sup>35</sup> in 2023-24, a consolidation of 53 basis points over 2022-23 (RE).

With the war in Ukraine continuing longer than initially thought and entering its second year, the global macroeconomic conditions deteriorated during 2022-23. As a result, the IMF revised down its global GDP and trade growth estimates for 2022 in successive rounds between October 2021 and October 2022. Global financial conditions tightened, reflecting synchronised monetary policy tightening to contain rising inflation amidst repricing of risks in an atmosphere of global spillovers and countryspecific factors, sparking-off scrambles for safe havens and relentless appreciation of the US dollar. Notwithstanding initial fears of an imminent global recession, and possibility of a hard landing, the global economy exhibited resilience, prompting the IMF to revise its global growth estimate upward to 3.4 per cent in January 2023, which remained unchanged thereafter. On similar lines, projection for global trade (goods and services) growth was also revised upward by the IMF to 5.1 per cent in April 2023 from 4.3 per cent in October 2022.

*(Source: Reserve Bank of India Annual Report 2022-23)*

Global financial agency International Monetary Fund (IMF) has raised its gross domestic product (GDP) growth forecast for India for FY 2023-24 to 6.1% from 5.9% projected earlier. The IMF says the country has seen a "momentum" from stronger-than-expected growth in Q4 FY23.

"Growth in India is projected at 6.1 percent in 2023, a 0.2 percentage point upward revision compared with the April projection, reflecting momentum from stronger-than-expected growth in the fourth quarter of 2022 as a result of stronger domestic investment," the IMF says in its World Economic Outlook (WEO) Update for July 2023.

The country's economic growth for FY 2024-25 has been projected at 6.3%, similar to its April 2023 forecast but down 50 basis points from its earlier forecast of 6.8%.

The Washington, D.C.-based global financial agency in April had slashed India's GDP growth forecast to 5.9% for the financial year 2023-24, down 20 basis points compared with 6.1% projected earlier.

The IMF economic forecast comes days after the Reserve Bank of India's monetary policy committee (MPC) retained its GDP forecast for the financial year 2023-24 to 6.5%, with Q1 at 8%, Q2 at 6.5%, Q3 at 6%, and Q4 at 5.7%.

Earlier in June, credit rating agency Fitch had also raised India's GDP forecast to 6.3% — one of the highest growth rates in the world — for the financial year 2023-24 compared with 6% projected earlier.

Globally, the economic growth is projected to fall from an estimated 3.5% in 2022 to 3.0% in both 2023 and 2024, says IMF.

The IMF says growth in emerging and developing Asia is on track to rise to 5.3% in 2023, which could then moderate to 5% in 2024, reflecting a modest (0.1 percentage point) downward revision for 2024.

# World Economic Outlook Growth Projections

| (Real GDP, annual percent change)                  | PROJECTIONS |            |            |
|--|-------------|------------|------------|
|  | 2022        | 2023       | 2024       |
| <b>World Output</b>                                | <b>3.5</b>  | <b>3.0</b> | <b>3.0</b> |
| <b>Advanced Economies</b>                          | <b>2.7</b>  | <b>1.5</b> | <b>1.4</b> |
| United States                                      | 2.1         | 1.8        | 1.0        |
| Euro Area  | 3.5         | 0.9        | 1.5        |
| Germany  | 1.8         | -0.3       | 1.3        |
| France   | 2.5         | 0.8        | 1.3        |
| Italy  | 3.7         | 1.1        | 0.9        |
| Spain  | 5.5         | 2.5        | 2.0        |
| Japan  | 1.0         | 1.4        | 1.0        |
| United Kingdom                                     | 4.1         | 0.4        | 1.0        |
| Canada   | 3.4         | 1.7        | 1.4        |
| Other Advanced Economies                           | 2.7         | 2.0        | 2.3        |
| <b>Emerging Market and Developing Economies</b>    | <b>4.0</b>  | <b>4.0</b> | <b>4.1</b> |
| <b>Emerging and Developing Asia</b>                | <b>4.5</b>  | <b>5.3</b> | <b>5.0</b> |
| China  | 3.0         | 5.2        | 4.5        |
| India  | 7.2         | 6.1        | 6.3        |
| <b>Emerging and Developing Europe</b>              | <b>0.8</b>  | <b>1.8</b> | <b>2.2</b> |
| Russia   | -2.1        | 1.5        | 1.3        |
| <b>Latin America and the Caribbean</b>             | <b>3.9</b>  | <b>1.9</b> | <b>2.2</b> |
| Brazil   | 2.9         | 2.1        | 1.2        |
| Mexico   | 3.0         | 2.6        | 1.5        |
| <b>Middle East and Central Asia</b>                | <b>5.4</b>  | <b>2.5</b> | <b>3.2</b> |
| Saudi Arabia                                       | 8.7         | 1.9        | 2.8        |
| <b>Sub-Saharan Africa</b>                          | <b>3.9</b>  | <b>3.5</b> | <b>4.1</b> |
| Nigeria  | 3.3         | 3.2        | 3.0        |
| South Africa                                       | 1.9         | 0.3        | 1.7        |
| <b>Memorandum</b>                                  |             |            |            |
| <b>Emerging Market and Middle-Income Economies</b> | <b>3.9</b>  | <b>3.9</b> | <b>3.9</b> |
| <b>Low-Income Developing Countries</b>             | <b>5.0</b>  | <b>4.5</b> | <b>5.2</b> |

Source: IMF, *World Economic Outlook Update*, July 2023

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2022/2023 (starting in April 2022) shown in the 2022 column. India's growth projections are 6.6 percent in 2023 and 5.8 percent in 2024 based on calendar year.

Source: <https://www.fortuneindia.com/macro/imf-raises-indias-fy24-gdp-forecast-to-61-from-59/113500>

Global growth appears to have lost pace from the third quarter of 2023, after having quickened in the first half of the year relative to the preceding six months. Headline indicators suggest that labour market tightness in advanced economies (AEs) is easing, with weak wage growth adjusted for inflation dampening consumer spending and confidence. In this group of countries, manufacturing activity is either stagnating or contracting and services are moderating from a robust expansion. Europe's biggest economies ended the third quarter in contraction, according to purchasing managers' indices (PMIs). Globally, the modest easing of inflation from historical highs in 2022 has not been enough to recoup real income losses. Tight financial conditions engendered by higher-for-longer stances in monetary policy settings have punctured asset price inflation, with surging bond yields forcing equity markets into correction and sending up the US dollar from strength to strength. Fears are rife that these levels of real interest rates will prolong as neutral rates appear higher, triggering off retreats from risky assets, loan delinquencies, fall in house prices, impediments to rollovers, and other such financial stresses. In some AEs, bank lending is beginning to show these strains. It is also reported that global deals involving mergers and acquisitions are languishing at a 10-year low as high-interest rates chill activity in equity markets. This has adverse implications for the global foreign direct investment (FDI) cycle, already in a slump.

By contrast, several emerging market economies (EMEs), especially in Asia and among the BRICS barring China, have posted positive growth surprises. Their PMIs are in expansion. These countries are standing up to formidable global headwinds that keep stampeding capital flows out of their equity and debt markets and imposing relentless downward pressure on their currencies. Nevertheless, growth profiles in this group are varied, reflecting country-specific circumstances. Ominously, however, the recent rally in crude prices is undermining the overall prospects of these economies. They also appear increasingly vulnerable to sell-offs and safe haven flights. The situation is compounded by rising food prices, a geopolitical fallout. Several EMEs – and even advanced peers – are tapping into foreign exchange reserves to help shore up their currencies or are engaging in open mouth interventions.

The US dollar's strength is now a global risk, tightening the already tight financial conditions even more. Even as energy importers reel under the impact of soaring crude oil prices that resurrect the spectre of inflation alongside external vulnerabilities, the US dollar gets ever stronger on the heft of surging treasury ~ 62 ~ yields, creating a pernicious feedback loop. The more this toxic vortex persists, the greater is the pain for the world. Will the global economy be able to weather crude trading at current levels, especially with elevated energy prices turbocharging the US dollar? Monetary policy authorities facing these combined pressures may remain on guard for longer – in fact, even pauses are being accompanied by higher future rates guidance. Fiscal authorities in many countries may be forced to extend fossil fuel subsidies. Eventually, these forces can take down the global economy by weakening its main engines, notably the US and India. The end game could be to the detriment of all. Indeed, there is a view that an inflection point in the global monetary policy tightening cycle has already been reached, with signs of global activity slowing. Financial market traders too are sensing that this transition is being approached – they are pricing in no further rate increases by AEs and beginning of rate cuts by EMEs.

Global trade has lagged global growth through the first half of 2023, with merchandise trade volume having contracted at its fastest annual pace since the pandemic and the tourism-fired rebound in services trade is showing some signs of softening. This downturn has been broad-based in the third quarter, with most of the world reporting falling trade volumes. Although the World Trade Organization (WTO) points to strong automobile production and sales containing the downturn, upward momentum in the third quarter and beyond may be limited as long as export orders, container shipping, air freight and raw materials demand remain weak. Global import demand remains anemic, weighed down by sluggish economic growth in leading economies, including the European Union (EU) and China. The United Nations Conference on Trade and Development (UNCTAD) forecasts global trade in goods and services to grow by barely 1 per cent through the year as whole, the slowest since the end of the World War II. The piling up of unresolved disputes at the WTO seems to bear this out as world trade fragments, geopolitical strife engulfs the earth from Ukraine to Israel and beyond, rendering the world trading order teetering on the abyss of irrelevance.

In recent editions of the State of the Economy, we have been flagging climate risks. Europe announced its hottest September on record in 2023. At the UN Climate Ambition Summit on September 20, back-tracking on green policies was highlighted, even as countries brace up for COP 28 which will provide yet another opportunity to accelerate action to limit global warming. According to the International Energy Agency (IEA), meeting net zero goals will require tripling of renewable energy capacities to 11,000 gigawatts by 2030, increasing annual investment in clean energy from US\$ 1 trillion to US\$ 4.5 trillion by the early 2030s and driving a large portion of these investments to emerging and developing countries. Fossil fuel use, if prolonged, needs to be accompanied by emissions-capturing technology. The main problem is the distribution of climate finance which is skewed towards those countries that have financial resources and infrastructure ready to ensure transition to low-carbon

activity. By contrast, the global south faces a daunting disparity in the availability of climate finance, rendering their climate ambitions distant and making them increasingly vulnerable to natural disasters. No country can address the impact of climate change by itself, but frayed international cooperation has been described as the ‘Achilles heel of reaching our global climate targets.’ Global action for climate change also has to be isolated from geopolitical tensions. The pathway to net zero has to be equitable; this will necessarily involve differential timelines.

It is the season of forecast revisions again. The OECD is among those presenting an upward revision, observing that India’s ‘growth surprise’ has been positive, with notable strength reflected in its PMIs, and fostering a steady outlook. According to it, India’s robust output growth has been supported by a strong expansion of investment and, on a sectoral level, the continued strength of services. The government’s infrastructure projects have supported momentum in the construction sector. Export growth in respect of services such as information technology and consulting has been strong and relatively unaffected by the slowdown in global growth. The Asian Development Bank has pointed out that strong private consumption ~ 63 ~ and upticks in public and private investment are expected to brighten India’s outlook, although it foresees a slight downward revision for 2023-24 due to erratic rainfall patterns. Our view is that they will all eventually gravitate to the Monetary Policy Committee’s (MPC’s) projection of 6.5 percent real GDP growth for the year 2023-24.

High frequency indicators discussed in subsequent sections show a broad-based gaining of momentum in August and September. The festival season is all set to light up volumes of e-commerce sales. Entry-level prices of electronics are poised to fall despite the focus on ‘premiumisation’. Consumer confidence is upbeat on online shopping, with wider choices, competitive pricing, and the convenience of easy return and exchange lifting up the online shopping experience. In response, pan-India demand for warehousing has outgrown supply by an estimated 1.4 times, with an average growth of 10 percent in rentals. Rural consumers also appear to be ready to join the party: there is a revival in demand for fast moving consumer goods after the September showers despite an uptick in freight and packaging costs. With Kharif sowing acreage exceeding last year’s coverage, joblessness in rural areas fell in September.

Residential real estate markets across India’s cities are exhibiting a growth momentum that is scaling a six-year high, despite rising mortgage rates and property prices. The cloud to this silver lining is that there are bulk sales in the mid-income and premium segments while the affordable and low-cost segments are undergoing a decline in volume. Overall, the real estate industry is reflecting strong fundamentals.

In the corporate sector, rating agencies are reporting credit ratios – upgrades by downgrades – of more than one. The upgrade rates has moderated but remains higher than the decadal average while the downgrade rate also undershot its 10-year average. Both investment- and non-investment grade companies recorded improvements in credit profiles. Infrastructure, automotive, and cement companies that rely on local consumption harnessed robust cash flows to bolster balance sheets, pointing to a possible revival due in private capex. A secular improvement is underway for financials of rated companies, which is boosting credit ratios. Deleveraging and higher capacity utilisation have enabled capital-heavy industries to stage a broad-based improvement in performance and outlook. In the financial markets, the festival mood is lifting sentiments.

In September, primary equity markets sizzled, with the most number of initial public offerings (IPOs) in the past 13 years amidst a buoyant rally in mid- and small-cap stocks. This has been propelled by ebullient inflows into several small and mid-cap funds. The India volatility index (VIX), an equity market fear gauge, has remained subdued during the first half of 2023-24, indicative of the bullish market sentiment. In the bond market, yields have shown remarkable resilience and stability in the face of the rise in US yields, attributable to country-specific factors such as the announcement of inclusion in the JP Morgan emerging market bond index, responsible government market borrowings indicative of underlying fiscal health, and prudent debt and liquidity management. Both passive and active funds are expected to flow into Indian debt markets, but they may bring with them associated volatility which will need to be carefully and nimbly managed. The Indian rupee (INR) has also exhibited low volatility and orderly movements relative to peers in spite of the elevated US treasury yields and a stronger US dollar. Movements in the INR are consistent with the strength of the underlying macro-fundamentals and the reassuring availability of buffers. Term deposit rates have surged to their highest levels in the past five years as banks rush to meet strong credit demand. There is anecdotal evidence that funds are flowing from low-yielding current account savings account (CASA) to higher-interest bearing term deposits. Competition among banks for garnering deposits has intensified after a long hiatus. The structural liquidity mismatch in the banking system is also reflected in ~ 64 ~ the highest issuances of certificates of deposits (CDs) in September during the current financial year. Outflows on account of tax payments and increased demand for credit ahead of the festival

season have also tightened access to liquidity. Renewed government spending and the release of the last tranche of the incremental cash reserve ratio (I-CRR) will likely ease liquidity but CD raising will likely continue into October. An important development that has spread cheer all around is the sharp correction in headline inflation in its September print from the recent spike in July and August. Vegetable prices may correct even more in October and expand disposable incomes of consumers.

From the point of view of the conduct of monetary policy, the broad-based softening of core inflation has been a result of staying the straight and narrow course of excoriating inflation enduringly. The accumulated force of monetary policy actions and an unswerving disinflationary stance of withdrawing accommodation are yielding results in the form of dissipating the persistence of price pressures, aided by the receding of input costs. It is too early to declare victory though; there are many miles to go. Set against this backdrop, the remainder of the article is structured into four sections. Section II covers the rapidly evolving developments in the global economy. An assessment of domestic macroeconomic conditions is set out in Section III. Section IV encapsulates financial conditions in India, while the last Section sets out concluding remarks. (Source: RBI Bulletin October 2023)

Inflation is expected to remain elevated in the near term, averaging 3.9 percent in advanced economies and 5.9 percent in emerging market and developing economies in 2022, before subsiding in 2023. Assuming medium-term inflation expectations remain well anchored and the pandemic eases its grip, higher inflation should fade as supply chain disruptions ease, monetary policy tightens, and demand rebalances away from goods-intensive consumption towards services. The rapid increase in fuel prices is also expected to moderate during 2022–23, which will help contain headline inflation. Futures markets indicate oil prices will rise about 12 percent and natural gas prices about 58 percent in 2022 (both considerably lower than the increases seen in 2021) before retreating in 2023 as supply-demand imbalances recede further. Similarly, food prices are expected to increase at a more moderate pace of about 4½ percent in 2022 and decline in 2023. In many countries, nominal wage growth remains contained despite employment and participation returning almost to pre-pandemic levels. But in the United States the story is different: a sharp decline in unemployment has been accompanied by buoyant nominal wage growth. This suggests a degree of tightening in US labor markets not evident elsewhere. If US labor force participation remains below pre-pandemic levels and discouraged workers remain on the sidelines, tighter labor markets may feed through to higher prices. As a result, the Federal Reserve communicated in December 2021 that it will taper asset purchases at a faster pace and signaled that the federal funds rate will likely be raised to 0.75–1.00 percent by the end of 2022, some 50 basis points higher than in the previous guidance.

Less accommodative monetary policy in the United States is expected to prompt tighter global financial conditions, putting pressure on emerging market and developing economy currencies. Higher interest rates will also make borrowing more expensive worldwide, straining public finances. For countries with high foreign currency debt, the combination of tighter financial conditions, exchange rate depreciations, and higher imported inflation will lead to challenging monetary and fiscal policy trade-offs. Although fiscal consolidation is anticipated in many emerging market and developing economies in 2022, high post-pandemic debt burdens will be an ongoing challenge for years to come.

Global trade is expected to moderate in 2022 and 2023, in line with the overall pace of the expansion. Assuming that the pandemic eases over 2022, supply chain problems are expected to abate later in the year. The accompanying moderation in global goods demand will also help reduce imbalances. Cross-border services trade—particularly tourism—is expected to remain subdued.

Even before Omicron, inflation pressure had become more broad-based in many economies. Central banks in some emerging market and developing economies—and a few advanced economies—have already been raising interest rates. For some the decision to tighten policy reflects a difficult choice, trading off the benefits of getting ahead of price pressures against the costs of potentially slowing an already subdued employment recovery. Policy responses will vary according to country-specific inflation and employment developments and the strength of central bank policy frameworks. Extraordinary support is likely to continue in the euro area and Japan to allow the recovery to take firmer hold. By contrast, it will very likely be withdrawn in the United States in 2022—where the recovery is more advanced—with the prospect of a broader return of interest rates to higher levels thereafter. The timing and extent of responses in emerging markets is uncertain and will be complicated by ongoing developments with the pandemic, both domestically and through imported inflation stemming from international supply disruptions. This underscores the need to carefully monitor key indicators of future inflationary pressures, including inflation expectations, wage growth and unit labor costs (particularly as demand rebalances back toward services), and firms' profit margins, which can foreshadow whether higher cost pressures are likely to be passed on to prices.

Effective monetary policy communication is a key tool to avoid provoking overreactions from financial markets. In countries where inflation expectations have increased, and there is a tangible risk of more persistent price pressures, central banks should continue to telegraph an orderly, data-dependent withdrawal. This is particularly important given the exceptional uncertainty around the impact of the Omicron variant. Central banks should clearly signal that the pace at which monetary support will be withdrawn may need to be recalibrated if the pandemic worsens again.

Moreover, a tighter stance of monetary policy, especially if not clearly communicated, could have financial stability implications as financial vulnerabilities remain elevated in a number of sectors. A sudden repricing of risk in markets, should investors reassess further the economic and policy outlook, could interact with such vulnerabilities and lead to tighter financial conditions. Policymakers should take early action and tighten selected macroprudential tools to target pockets of elevated vulnerabilities (see the October 2021 Global Financial Stability Report).

Preparing for tighter external financial conditions: Less accommodative monetary policy in advanced economies will pose challenges for central banks and governments in emerging market and developing economies. Higher returns elsewhere will incentivize capital to flow overseas, putting downward pressure on emerging market and developing economy currencies and raising inflation. Without commensurate tightening, this will increase the burden on foreign-currency borrowers, both public and private. But tighter policy also brings costs at home, as domestic borrowers will find credit harder to come by. Overall, tighter policies will likely be appropriate in many emerging market and developing economies to stave off the threat of persistently higher inflation. Moreover, emerging markets are generally more resilient, with higher reserves and better current account balances than in the previous tightening cycle—including during the 2013 taper tantrum. But financial vulnerabilities remain, and many countries have higher public and private debt. Debt service burdens could therefore rise significantly with higher interest rates.

Countries with stronger fiscal positions and clearer policy frameworks will be better placed to manage tighter global financial conditions. More generally, emerging market borrowers should extend debt maturities where feasible, while containing a further buildup of currency mismatches. Exchange rate flexibility can also help absorb shocks. But in economies with market distortions or balance sheet vulnerabilities limiting market access, the impact of capital flow reversals can imperil financial stability. In those economies, foreign exchange intervention may be needed to smooth disorderly market conditions and temporary capital flow management measures may be warranted—but should not substitute for needed macroeconomic policy adjustment. More generally, policymakers should strengthen resolution regimes where needed to facilitate orderly deleveraging and restructuring.

International cooperation will also be essential to minimize stress during the forthcoming tightening cycle. Ready access to reserve currency liquidity is an important buffer against the international amplification of these risks. IMF lending arrangements (precautionary or disbursing) can be an important backstop to smooth the impact of the shocks. For countries with large financing needs and unsustainable debt, liquidity relief may not be sufficient. In such cases, quick operationalization of the G20 Common Framework for debt treatment will provide an effective mechanism for timely and orderly debt restructuring. The progress in the initial country cases has been too slow. Urgent improvements are needed to move the process forward and extend its country coverage.

Public finances will come under strain in the coming months and years, as global public debt has reached record levels to cover pandemic-related spending at a time when tax receipts plummeted. Higher interest rates will also make borrowing more expensive, especially for countries borrowing in foreign currencies and at short maturities. As a result, fiscal deficits in most countries will need to shrink in the coming years, although the extent of consolidation should be contingent on the pace of the recovery. If the pandemic worsens, consolidation can be slowed where fiscal space permits. Where mobility restrictions are reintroduced, governments should reprise programs such as lifelines for the worst-affected households and firms as needed and increase support for the most vulnerable segments of the population. However, policy space is much reduced, so better targeting of such support will be essential to preserve fiscal sustainability. Initiatives should be nested in credible and sustainable medium-term fiscal plans. Decisive support from the international community to low-income countries with elevated debt levels will be necessary so that they can provide such fiscal support. On the other hand, in countries with upside growth surprises where the recovery continues to take hold (e.g., Chile, Colombia, Peru), there is scope to retire extraordinary crisis expenditures and enhance revenue mobilization.

Ultimately, higher growth and stronger tax revenues will be required for many countries to avoid the risk of debt distress. Such challenges make structural reforms (see below) and improvements to fiscal frameworks all the more essential.

(Source: IMF)

## OVERVIEW OF THE INDIAN ECONOMY

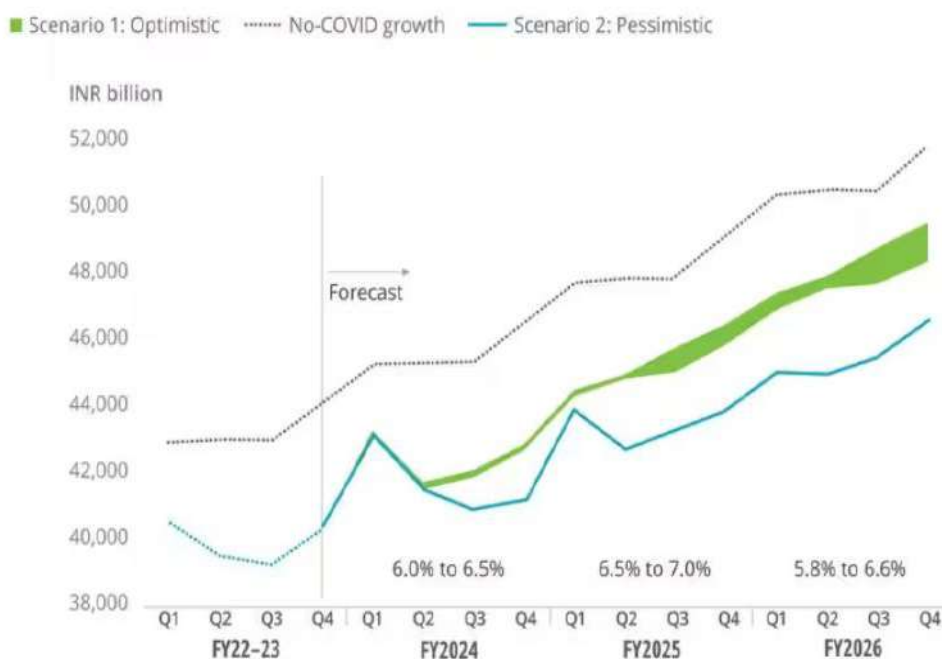
Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Real GDP at constant prices (2011-12) in the first quarter of 2023–24 is estimated at Rs. 40.37 trillion (US\$ 484.94 billion), showing a growth of 7.8% as compared to the first quarter of 2022-23 estimated at Rs. 37.44 trillion (US\$ 449.74 billion). Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. In 2023-24 (April-September), India’s service exports stood at US\$ 164.89 billion. Furthermore, India’s overall exports (services and merchandise) in 2023-24 (April-September) were estimated at US\$ 376.29 billion. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up demand over the period of April-December 2022. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

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

India's appeal as a destination for investments has grown stronger and more sustainable as a result of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

Real GDP (seasonally adjusted, level values)



Sources: CMIE; Deloitte research.

Deloitte Insights | deloitte.com/insights



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

India’s nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 301.75 trillion (US\$ 3.62 trillion) in 2023-24. Additionally, the Nominal GDP at current prices in Q1 of 2023-24 was Rs. 70.67 trillion (US\$ 848.92 billion), as against Rs. 65.42 trillion (US\$ 785.85 billion) in 2022-23, estimating a growth of 8%. With 115 unicorns valued at more than US\$ 350 billion, as of February 2023, India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, ‘Panchamrit’. Moreover, India ranked 3rd in the renewable energy country attractive index.

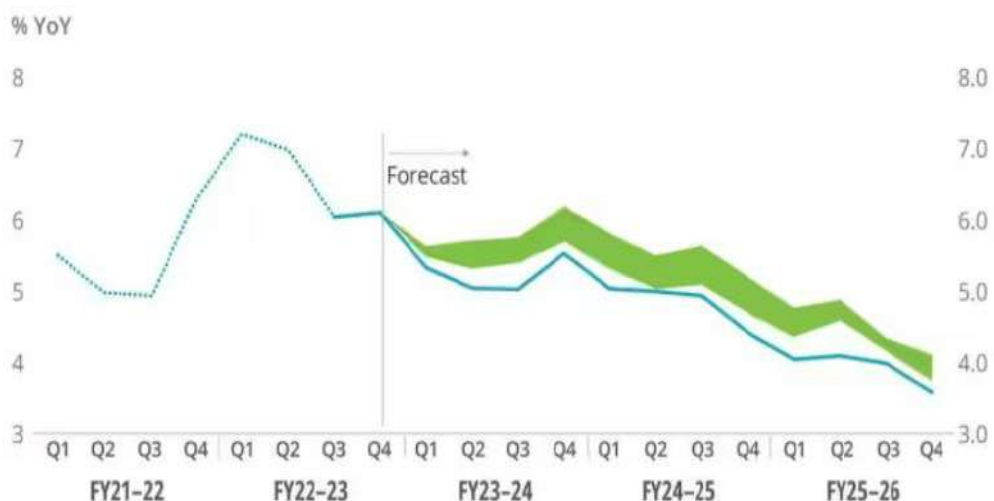
According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) decreases to US\$ 9.2 billion in Q1 of 2023-24 from US\$ 17.9 billion in Q1 of 2022–2023.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India’s trade partners witness an economic slowdown. According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.

Inflation may peak along with the moderation of the global economy and stability in crude oil and industrial raw material prices. A tighter monetary policy will also help bring down demand and, therefore, cap the price rise. However, the fall in prices may be short-lived as we expect demand to remain high. The recent unseasonal rains (impacting wheat production and its procurement) and the possible impact of El Nino on monsoon rains may further add pressure to food prices in the months ahead. Despite a sooner turnaround in investment, its lagged impact on capacity building will likely constrain supply in the short run. We expect prices to remain in the upper range of the RBI’s target band over the next two years.

### Consumer price index

■ Scenario 1: Optimistic — Scenario 2: Pessimistic

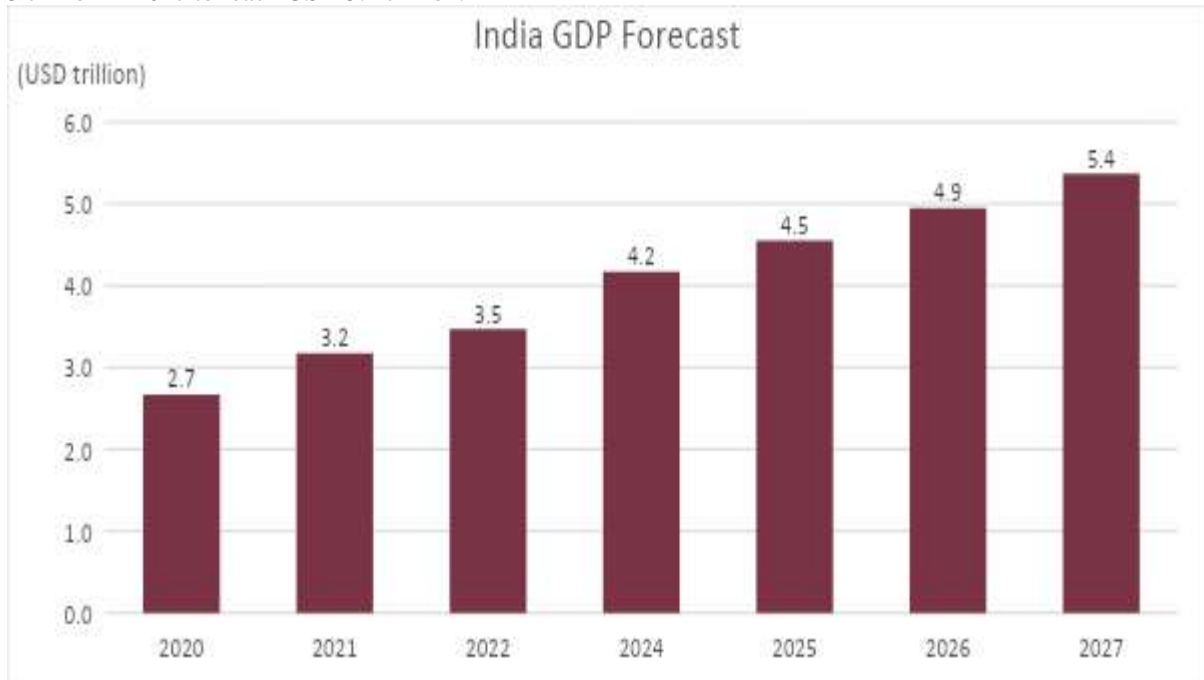


Sources: CMIE; Deloitte research.

Deloitte Insights | [deloitte.com/insights](http://deloitte.com/insights)

Source: <https://www2.deloitte.com/xe/en/insights/economy/asia-pacific/india-economic-outlook-04-2023.html>

India is on a path to witnessing one of its most extraordinary decades in terms of economic achievement since the country's Independence. In this decade India has crossed USD 3 trillion in GDP in FY22 to reach USD 3.2 trillion IMF has forecasted that India will cross USD 4 trillion in GDP in 2024 to reach USD 4.2 trillion and cross USD 5 trillion in 2027 to reach USD 5.4 trillion.



Source: IMF World Economic Outlook Database, Gross domestic product is in terms of current prices

India's Ministry of Finance, Govt. of India has also a similar forecast of India crossing USD 5 trillion in GDP in FY27. These are extraordinary milestones for any country and India may witness sharp improvement in per capita GDP and per capita disposable income by the end of this decade.

It is critical to understand however that India's GDP growth since the beginning of this millennium and especially since crossing USD 1 trillion for the first time in 2006 is different in composition.

## RECENT DEVELOPMENTS

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- As of August 2023, India's foreign exchange reserves stood at US\$ 594.90 billion.
- In the first half of 2023-24, India saw a total of US\$ 21 billion in PE-VC investments.
- Merchandise exports in September 2023 stood at US\$ 34.47 billion, with total merchandise exports of US\$ 211.40 billion during the period of April-September (2023-24).
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- PMI Services remained comfortably in the expansionary zone at 62.3 in the month of June 2023.

- In September 2023, the gross Goods and Services Tax (GST) revenue collection stood at Rs.1,62,712 crore (US\$ 19.54 billion), of which CGST is Rs. 29,818 crore (US\$ 3.58 billion), SGST is Rs. 37,657 crore (US\$ 4.52 billion), IGST is Rs. 83,623 crore (US\$ 10.04 billion).
- Between April 2000–June 2023, cumulative FDI equity inflows to India stood at US\$ 937.58 billion.
- In August 2023, the overall IIP (Index of Industrial Production) stood at 145.1. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 111.9, 143.5 and 220.5, respectively, in August 2023.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.02% in September 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested Rs. 22,000 crore (US\$ 2.67 billion) in India during the first week of July 2023.
- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

## **GOVERNMENT INITIATIVES**

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

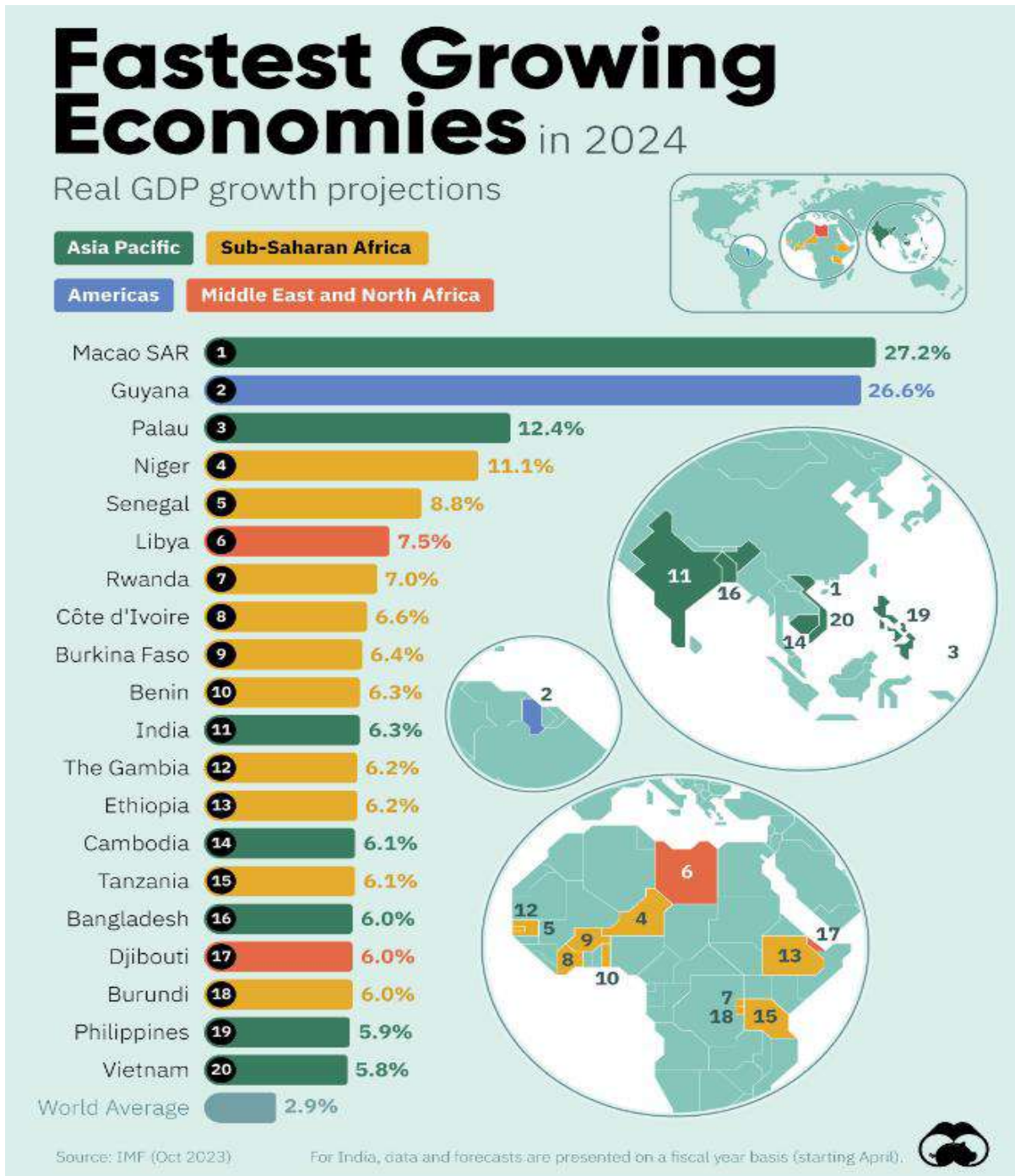
- On August 6th, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28th, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1st, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.
- In order to enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1st, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29th, 2022 by the Ministry of Railways.

- On October 7th, 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.
- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20th, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) in order to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14th, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11th, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for

the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30th, 2022.

- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from April 1st, 2022, aimed at strengthening interventions for women's safety, security and empowerment.
- The Union Budget of 2022-23 was presented on February 1st, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to Rs. 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources.

Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).



Source: <https://www.visualcapitalist.com/ranked-the-fastest-growing-economies-in-2024/>

### Agriculture and Allied Industries

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

producer of fruit, vegetables, tea, farmed fish, cotton, sugarcane, wheat, rice, cotton, and sugar. The agriculture sector in India holds the record for second-largest agricultural land in the world generating employment for about half of the country's population. Thus, farmers become an integral part of the sector to provide us with a means of sustenance.

Consumer spending in India will return to growth in 2021 post the pandemic-led contraction, expanding by as much as 6.6%. The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year due to its immense potential for value addition, particularly within the food processing industry. The Indian food processing industry accounts for 32% of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth.

Foodgrain production in India touched 330.5 million metric tonnes (MT) in 2022-23 (3rd Advance Estimate). India is the world's 2nd largest producer of food grains, fruits and vegetables and the 2nd largest exporter of sugar. A total of 521.27 LMT rice has been anticipated for procurement for the upcoming KMS 2023-24, up from 496 LMT produced during the previous KMS 2022-23.



**Advantages to India**

- Factors contributing to the sharp growth in demand for processed foods include increasing urbanization, increasing disposable incomes, changing spending patterns/priorities, the emergence of nuclear families, and the growing need for convenience foods in dual-income nuclear families.
- The demand for organic products in the Indian market is growing and is anticipated to rise with a CAGR of 25.25% between 2022-27.
- A total of 521.27 LMT rice has been anticipated for procurement for the upcoming KMS 2023-24, up from 496 LMT produced during the previous KMS 2022-23.
- Entry of foreign players has been key to sustainable growth in some sectors such as dairy.
- Online, Competitive, Transparent Bidding System with 1.74 crore farmers and 2.39 lakh traders put in place under the National Agriculture Market (e-NAM) Scheme.
- A new sub-scheme of PM Matsya Sampada Yojana with a targeted investment of Rs. 6,000 crore (US\$ 729 million) to be launched to further enable activities of fishermen, fish vendors, and MSEs, improve value chain efficiencies and expand the market.
- Through several Digital Initiatives, such as the National e-Governance Plan in Agriculture, the construction of Digital Public Infrastructure, digital registries, etc., the government has taken various steps to ensure access to IT across the nation.

- India has access to several natural resources that provides it a competitive advantage in the food processing sector. Due to its diverse agro-climatic conditions, it has a wide-ranging and large raw material base suitable for food processing industries.

According to Inc42, the Indian agricultural sector is predicted to increase to US\$ 24 billion by 2025. Indian food and grocery market is the world's sixth largest, with retail contributing 70% of the sales. India's agricultural and processed food products exports stood at US\$ 43.37 billion in FY23 (April 2022-January 2023). As per third Advance Estimates for FY23 (Kharif only), total foodgrain production in the country is estimated at 330.5 million tonnes. As per the Second Advance Estimates of National Income, the share of GVA of agriculture and allied sectors in the total economy in 2022-23 was 18.3%, with a growth rate of 3.3%. Rabi crop area has increased by 3.25%, from 697.98 lakh hectares in 2021-22 to 720.68 lakh hectares in 2022-23. This is a 22.71 lakh hectare, a 13.71% increase over the average sown area in 2021-22.

In the current crop year (July 2022-June 2023), India's horticulture output is expected to have hit a record 350.87 million tonnes (MT), as production of fruits, vegetables, spices, and plantation crops surged dramatically.

In 2022-23, of the 141 million hectares of gross sown area in the country, nearly 73 million hectares, or 52%, had irrigation access.

The Agriculture and Allied industry sector has witnessed some major developments, investments and support from the Government in the recent past. Between April 2000-June 2023, FDI in agriculture services stood at US\$ 4.75 billion.

(Source: <https://www.ibef.org/industry/agriculture-india>)

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In 2022-23 (as per the second advance estimate), India's horticulture output is expected to have hit a record 351.92 million tonnes (MT), an increase of about 4.74 million tonnes (1.37%) as compared to the year 2021-22.

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According to the Department for Promotion of Industry and Internal Trade (DPIIT), the Indian food processing industry has cumulatively attracted a Foreign Direct Investment (FDI) equity inflow of about US\$ 12.35 billion between April 2000-September 2023. This accounts for 1.89% of total FDI inflows received across industries. During 2023-24 (April-October), processed vegetables accounted for US\$ 446.84 million, miscellaneous preparations accounted for US\$ 758.94 million and processed fruits, juices and nuts accounted for US\$ 367.85 million.

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

In terms of exports, the sector has seen good growth in the past year. India's agricultural and processed food products exports stood at US\$ 27.01 billion in 2023-24 (April-October).

The exports for principal commodities in 2023-24 (April-October) were the following:



- Marine Product: US\$ 4.58 billion
- Basmati and Non-Basmati Rice: US\$ 5.86 billion
- Spices: US\$ 2.24 billion
- Buffalo Meat: US\$ 2.09 billion
- Sugar: US\$ 1.49 billion
- Miscellaneous processed items: US\$ 967 million
- Oil Meal: US\$ 894 million

## INVESTMENTS

Some major investments and developments in agriculture are as follows:

- In December 2023, NBCC signed an MoU with the National Cooperative Development Cooperation (NCDC) and NABARD for the construction of (1,469-grain storage units) the world's largest grain storage plan in the cooperative sector.
- India to host the 27th WAIPA World Investment Conference in New Delhi from December 11-14, 2023.
- In December 2023, Tata-owned Rallis India launched NAYAZINC fertilizer.
- In December 2023, NITI Aayog and IFPRI signed a Statement of Intent to strengthen policy frameworks for agricultural transformation and rural development.
- In November 2023, India signed deals to export 5,00,000 tons of new season basmati rice in Europe and the Middle East.
- In October 2023, the President of India launched the Fourth Krishi Road map of Bihar.
- In October 2023, Coal India, partnered to invest Rs. 3,095 crore (US\$ 371.69 million) in fertiliser JV to boost output.
- Government has set up a special fund called the Food Processing Fund (FPF) of approximately US\$ 265 million in the National Bank for Agriculture and Rural Development (NABARD) for extending affordable credit to designated food parks and food processing enterprises in the designated food parks.
- In June 2023, Mother Dairy invested US\$ 48.33 million (Rs. 400 crore) to set up a unit in Nagpur.
- In 2022, the Government of India is planning to launch Kisan Drones for crop assessment, digitization of land records, and spraying of insecticides and nutrients.
- In October 2022, Prime Minister Mr. Narendra Modi inaugurated PM Kisan Samman Sammelan 2022 and released PM-KISAN Funds worth Rs. 16,000 crore (US\$ 1.93 billion)
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- Consumer spending in India will return to growth in 2022 post the pandemic-led contraction, expanding by as much as 7%.
- The organic food segment in India is expected to grow at a CAGR of 10% during 2015-25 and is estimated to reach Rs. 75,000 crore (US\$ 9.1 billion) by 2025 from Rs. 2,700 crore (US\$ 386.32 million) in 2015.
- The processed food market in India is expected to grow to Rs. 3,451,352.5 crore (US\$ 470 billion) by 2025, from Rs. 1,931,288.7 crore (US\$ 263 billion) in FY20 on the back of government initiatives such as planned infrastructure worth US\$ 1 trillion and Pradhan Mantri Kisan Sampada Yojna. The food processing industry employs about 1.77 million people. The sector allows 100% FDI under the automatic route.
- From 2017 to 2020, India received ~US\$ 1 billion in agritech funding. With significant interest from investors, India ranks third in terms of agritech funding and the number of agritech start-ups. By 2025, Indian agritech companies are likely to witness investments worth US\$ 30-35 billion.
- Nestle India will invest Rs. 700 crore (US\$ 85.16 million) in the construction of its ninth factory in Gujarat.
- The performance of the agriculture and allied sector has been buoyant over the past several years, much of which is on account of the measures taken by the government to augment crop and livestock productivity, ensure certainty of returns to the farmers through price support, promote crop diversification, improve market infrastructure through the impetus provided for the setting up of farmer-producer organizations and promotion of investment in infrastructure facilities through the Agriculture

- Infrastructure Fund.
- As per the economic survey 2022-23, Rs. 13,681 crore (US\$ 1.6 billion) were sanctioned for Post-Harvest Support and Community Farms under the Agriculture Infrastructure Fund.
- Private investment in agriculture increases to 9.3% in 2020-21.
- Institutional Credit to the Agricultural Sector continued to grow to Rs. 18.6 lakh crore (US\$ 226 billion) in 2021-22.

## **GOVERNMENT INITIATIVES**

Some of the recent major Government initiatives in the sector are as follows

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

- A network of 729 Krishi Vigyan Kendra's has been established at the district level across the country to ensure that newer technologies such as improved variety seeds of crops, new breeds/ strains of livestock and fish, and improved production and protection technologies reach farmers.
- In October 2021, the Union Minister of Home Affairs and Co-operation launched the 'Dairy Sahakar' scheme in Anand, Gujarat.
- Ministry of Civil Aviation launched the Krishi UDAN 2.0 scheme in October 2021. The scheme proposes assistance and incentive for the movement of agri-produce by air transport. The Krishi UDAN 2.0 will be implemented at 53 airports across the country, largely focusing on Northeast and tribal regions, and is expected to benefit farmers, freight forwarders, and airlines.
- In October 2021, the Agricultural and Processed Food Products Export Development Authority (APEDA) signed a Memorandum of Understanding (MoU) with ICAR-Central Citrus Research Institute (ICAR-CCRI), Nagpur, for boosting exports of citrus and its value-added products.
- In October 2021, the Union Ministry of Agriculture and Farmers Welfare announced that 820,600 seed mini-kits will be distributed free of cost in 343 identified districts across 15 major producing states under a special programme. This programme is likely to boost production and productivity by speeding up the seed replacement rate and subsequently, help in increasing farmers' income.
- In September 2021, Prime Minister Mr. Narendra Modi launched 35 crop varieties with special traits such as climate resilience and higher nutrient content.
- Prime Minister of India launched the Pradhan Mantri Kisan Samman Nidhi Yojana (PM-Kisan) and transferred Rs. 2,021 crore (US\$ 284.48 million) to bank accounts of more than 10 million beneficiaries on February 24, 2019. As per the Union Budget 2021-22, Rs. 65,000 crore (US\$ 8.9 billion) was allocated to Pradhan Mantri Kisan Samman Nidhi (PM-Kisan).
- The Indian government has initiated Digital Agriculture Mission for 2021-25 for agriculture projects based on new technologies such as artificial intelligence, blockchain, remote sensing and GIS technology, drones, robots, and others.
- In September 2021, the Union Ministry of Agriculture and Farmers' Welfare signed five MoUs with CISCO, Ninjacart, Jio Platforms Limited, ITC Limited, and NCDEX e-Markets Limited. This MoU will have five pilot projects, which will help farmers make decisions on the kind of crops to grow, the variety of seeds to use, and best practices to adopt to maximise yield.
- With a budget of US\$ 1.46 billion, the 'Production-Linked Incentive Scheme for Food Processing Industry (PLISFPI)' has been approved to develop global food manufacturing champions commensurate with India's natural resource endowment and to support Indian food brands in international markets.
- Under Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PM FME), an outlay of Rs. 10,000 crore (US\$ 1.27 billion) over a period of five years from FY21 to FY25 has been sanctioned.
- In April 2021, the Government of India approved a PLI scheme for the food processing sector with an incentive outlay of Rs. 10,900 crore (US\$ 1.48 billion) over a period of six years starting from FY22.
- The Agriculture Export Policy, 2018 was approved by the Government of India in December 2018. The new policy aimed to increase India's agricultural export to US\$ 60 billion by 2022 and US\$ 100 billion in the next few years with a stable trade policy regime.
- The Government of India is going to provide Rs. 2,000 crore (US\$ 306.29 million) for the computerisation of the Primary Agricultural Credit Society (PACS) to ensure cooperatives are benefitted through digital technology.
- The Government of India launched the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) with an investment of Rs. 50,000 crore (US\$ 7.7 billion) aimed at the development of irrigation sources for providing a permanent solution to drought.

- Government plans to triple the capacity of the food processing sector in India from the current 10% of agricultural produce and has also committed Rs. 6,000 crore (US\$ 729 million) as investments for mega food parks in the country, as a part of the Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters (SAMPADA).
- The Government of India has allowed 100% FDI in the marketing of food products and in food product E-commerce under the automatic route.
- To enhance the income of farmers, the government has taken initiatives across several focus areas. Income support is provided to farmers through PM KISAN Scheme, crop insurance is assured through the Pradhan Mantri Fasal Bima Yojana, and irrigation facilities are ensured under Pradhan Mantri Krishi Sinchai Yojana.
- Access to institutional credit is being provided through Kisan Credit Card and other channels.
- Under the e-NAM initiative, markets across the length and breadth of the nation are now open to farmers, to enable them to get more remunerative prices for their produce. Online, Competitive, Transparent Bidding System with 1.74 crore farmers and 2.39 lakh traders put in place under the National Agriculture Market (e-NAM) Scheme.
- The umbrella scheme Pradhan Mantri Annadata Aay SanraksHan Abhiyan (PM-AASHA) ensures Minimum Support Price (MSP) to farmers for various Kharif and Rabi crops while also keeping a robust procurement mechanism in place.
- As per the Economic Survey 2022-23, Rs. 13,681 crore (US\$ 1.6 billion) were sanctioned for Post-Harvest Support and Community Farms under the Agriculture Infrastructure Fund.
- In order to increase the level of food- processing industry and encouraging rural entrepreneurship across the country including rural areas, the Ministry of Food Processing Industries (MoFPI) is implementing the Central Sector Umbrella Scheme Pradhan Mantri Kisan SAMPADA Yojana (PMKSY), Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) and centrally sponsored PM Formalization of Micro Food Processing Enterprises (PMFME) Scheme.
- The PMFME Scheme provides financial, technical and business support for setting up/upgradation of 2 Lakh micro food processing enterprises through credit-linked subsidy during five years from 2020-21 to 2024-25 with an outlay of Rs. 10,000 crore (US\$ 1.27 billion).
- Under component schemes of PMKSY, MoFPI mostly provides financial assistance in the form of grants-in-aid to entrepreneurs for the creation of modern infrastructure and setting up of food processing/preservation industries including Cold Chains with associated infrastructure like primary processing facilities, collection centres, pre-conditioning, pre-cooling, ripening, packing, etc.
- As per the Union Budget 2023-24, A new sub-scheme of PM Matsya Sampada Yojana with the targeted investment of Rs. 6,000 crore (US\$ 729 million) to be launched to further enable activities of fishermen, fish vendors, and micro & small enterprises, improve value chain efficiencies, and expand the market.
- Digital Public Infrastructure for Agriculture: agriculture will be built as an open source, open standard, and interoperable public good. this will enable inclusive, farmer-centric solutions through relevant information services for crop planning and health, improved access to farm inputs, credit, and insurance, help for crop estimation, market intelligence, and support for the growth of the agri-tech industry and start-ups.
- To enhance the productivity of extra-long staple cotton, Government will adopt a cluster-based and value chain approach through Public Private Partnerships (PPP). This will mean collaboration between farmers, the state and industry for input supplies, extension services, and market linkages.
- Computerisation of 63,000 Primary Agricultural Credit Societies (PACS) with an investment of Rs. 2,516 crore (US\$ 305.9 million) initiated.

- Rs. 20 lakh crore (US\$ 24.41 billion) agricultural credit targeted at animal husbandry, dairy and fisheries.
- To make India a global hub for 'Shree Anna', the Indian Institute of Millet Research, Hyderabad will be supported as the Centre of Excellence for sharing best practices, research and technologies at the international level.

## ROAD AHEAD

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



In the next five years, the central government will aim US\$ 9 billion in investments in the fisheries sector under PM Matsya Sampada Yojana. The government is targeting to raise fish production to 220 lakh tonnes by 2024-25. Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP), and Good Hygienic Practices (GHP) by the food processing industry will offer several benefits.

Through the Ministry of Food Processing Industries (MoFPI), the Government of India is taking all necessary steps to boost investments in the food processing industry in India. Government of India has continued the umbrella PMKSY scheme with an allocation of Rs. 4,600 crore (US\$ 559.4 million) till March 2026.

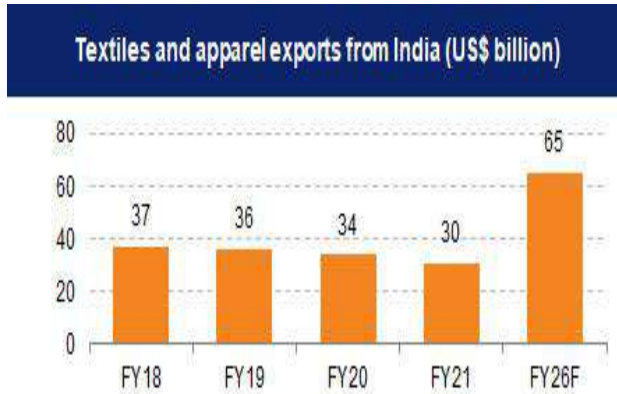
References: Agricultural and Processed Food Products Export Development Authority (APEDA), Department of Commerce and Industry, Union Budget 2021-22, 2022-23, Press Information Bureau, Ministry of Statistics and Programme Implementation, Press Releases, Media Reports, Ministry of Agriculture and Farmers Welfare, Crisil, Union Budget 2023-24, Economic Survey 2022-23.

Source: <https://www.ibef.org/industry/agriculture-india>

## TEXTILES INDUSTRY

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries.

The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital-intensive sophisticated mills sector on the other end. The decentralised power looms/ hosiery and knitting sector forms the largest component in the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce wide variety of products suitable for different market segments, both within India and across the world.



India's Textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country. The industry contributed 7% to the industry output (by value) in 2018-19. The Indian textiles and apparel industry contributed 2% to the GDP, 12% to export earnings and held 5% of the global trade in textiles and apparel in 2018-19. Exports of textiles (RMG of all textiles, cotton yarns/fabs./made-ups/handloom products, man-made yarns/fabs./made-ups, handicrafts excl. handmade carpets, carpets and jute mfg. including floor coverings) stood at US\$ 22.89 billion between April 2021 and October 2021.

The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. India has a 4.6% share of the global trade in textiles and apparel. Moreover, India is the world's 3rd largest exporter of Textiles and Apparel.

The Indian Technical Textile market has a huge potential of a 10% growth rate, increased penetration level of 9-10% and is the 5th largest technical textiles market in the world. India's sportech industry is estimated around US\$ 1.17 million in 2022-23.

The Indian Medical Textiles market for drapes and gowns is around US\$ 9.71 million in 2022 and is expected to grow at 15% to reach US\$ 22.45 million by 2027.

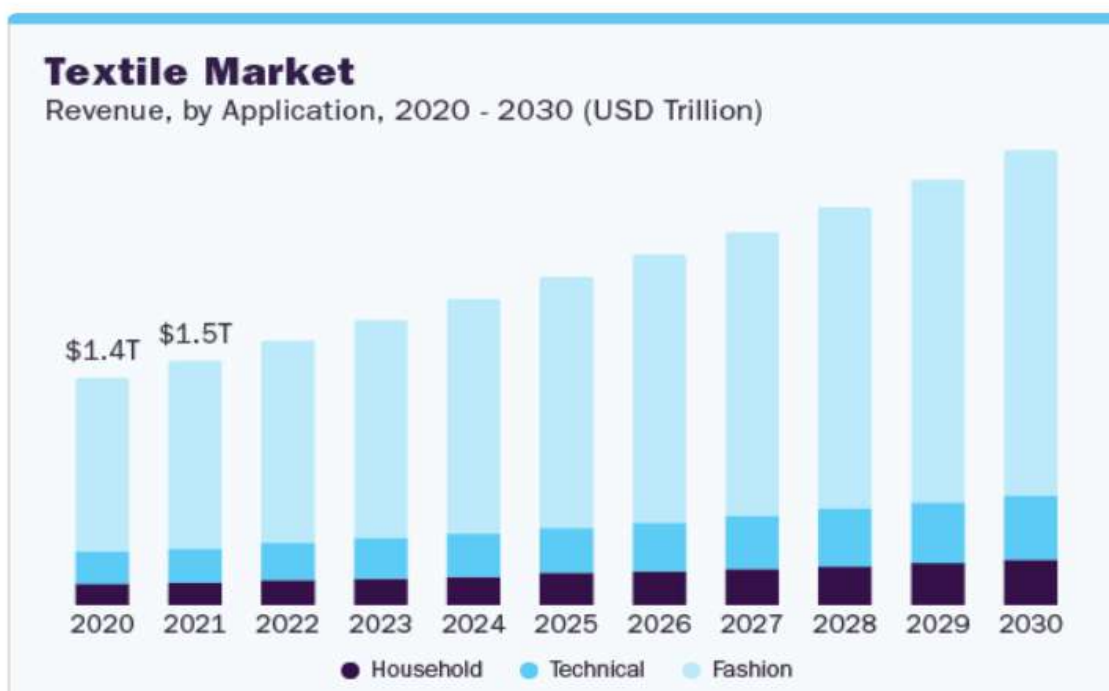
The Indian composites market is expected to reach an estimated value of US\$ 1.9 billion by 2026 with a CAGR of 16.3% from 2021 to 2026 and the Indian consumption of composite materials will touch 7,68,200 tonnes in 2027.

India is the world's largest producer of cotton. Estimated production stood at 343.4 lakh bales during the cotton season 2022-23. India's demand for domestic consumption of cotton is estimated to be 5.29 million metric tonnes in 2022-23. Domestic consumption for the 2021-22 cotton season was estimated to be 338 lakh bales. Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers. In FY23, exports of readymade garments (RMG) including accessories stood at US\$ 16.2 billion. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6-4.9% share globally.

In 2022-23, the production of fibre in India stood at 2.15 million tonnes. While for yarn, the production stood at 5,185 million kgs during the same period. Natural fibres are regarded as the backbone of the Indian textile industry, which is expected to grow from US\$ 138 billion to US\$ 195 billion by 2025.

India's textile and apparel exports (including handicrafts) stood at US\$ 36.68 billion in 2022-23. During April-November (2022-23), the total exports of textiles stood at US\$ 23.1 billion. India's textile and apparel exports to the US, its single largest market, stood at 27% of the total export value in FY22. Exports of readymade garments including cotton accessories stood at US\$ 6.19 billion in FY22.

Exports for 247 technical textile items stood at Rs. 5,946 crore (US\$ 715.48 million) between April-June (2023-24).



## INVESTMENT AND KEY DEVELOPMENT

The industry (including dyed and printed) attracted foreign direct investment (FDI) worth US\$ 4.31 billion from April 2000-June 2023. The textile sector has witnessed a spurt in investment during the last five years.

- In September 2023, the Khadi and Village Industries Commission signed 3 MoUs to promote Khadi Products.
- In September 2023, Grasim Industries plans to open nearly 120 retail stores over the upcoming 2 years, by expanding its footprint in smaller cities and towns.
- In September 2023, Reliance Retail Ventures Ltd. (RRVL) announced the acquisition of Ed-a-Mamma for a 51% stake.
- In September 2023, Shadowfax inaugurated a 1.5 lakh sq. ft. fulfilment centre in Surat with 10 lakh orders per day processing capacity.
- In August 2023, the Ministry of Textiles approved 26 engineering institutions for the introduction of Technical Textiles under the National Technical Textiles Mission.
- In July 2023, PM MITRA Park, Amravati expected to attract investment of Rs. 10,000 crore (US\$ 1.20 billion) and create employment for 300,000 individuals.
- In May 2023, an investment of around Rs. 6,850 crore (US\$ 824.25 million) is expected in the PM MITRA Park in Madhya Pradesh and Rs. 8,675 crore (US\$1.04 billion) in other parts of the state.
- In May 2023, Aditya Birla Fashion and Retail Ltd. announced the acquisition of TCNS Clothing with a deal size of US\$ 198.54 million.
- India is expected to host the 81st Plenary Meeting of the International Cotton Advisory Committee (ICAC) from 2nd to 5th December 2023 in Mumbai with the theme “Cotton Value Chain- Local Innovations for Global Prosperity”.
- Cott-Ally mobile app has been developed for farmers to increase awareness about MSP rates, nearest

procurement centers, payment tracking, best farm practices etc.

- In April 2023, Godrej Consumer Products Ltd (GCPL) announced the Rs. 2,825 crore (US\$ 339.93 million) acquisition of Raymond Consumer Care Ltd (RCCL).
- In April 2022, Indo Count Industries bagged the home textile business of GHCL for US\$ 74.14 million.
- In March 2022, Reliance Retail Ventures Limited (RRVL) acquired a controlling share of Purple Panda Fashions for US\$ 115.8 million.
- Sutlej Textiles plans to set up a green field project for 89,184 spindles comprising cotton mélange yarn and PC grey yarn along with a dye house in Jammu & Kashmir with an estimated cost of US\$ 111.41 million (Rs. 914 crore).
- Vardhman has established Vardhman ReNova, a cotton recycling facility with a six TPD production capacity. By establishing two new facilities in Madhya Pradesh, the company has also increased its capacity to produce yarn. With top-notch technology, the expansion includes over 100,000 spindles in total. This will result in a 75 TPD increase in yarn production capacity.
- The textile ministry has selected 61 companies, including Arvind Limited to enjoy benefits under its US\$ 1.3 billion (Rs. 10,683 crore) production-linked incentive (PLI) scheme for the labour-intensive textiles and garment sector. The companies have pledged to invest US\$ 2.32 billion (Rs 19,077) crore over five years under the scheme, which will lead to an incremental turnover of US\$ 22.55 billion (Rs 1.85 trillion) and direct employment generation for 240,000 people.
- Arvind Limited, the largest textile to technology conglomerate in India, and PurFi Global LLC, a sustainable technology firm that specialises in rejuvenating textile waste into virgin grade products, have formed a joint venture to reduce the quantity of textile waste dumped in landfills.
- In November 2022, local weavers in Tuensang in Nagaland were provided 45 days of skill-upgrading training, which would equal 315 hours under the SAMARTH programme.
- In 2022-23, the Sardar Vallabhbhai Patel International School of Textiles and Management (SVPiSTM) is planning to offer B.Sc. and MBA courses in technical textiles.
- In November 2021, Federico Salas, the Mexican Ambassador to India, visited the Khadi India Pavilion at the India International Trade Fair 2021 and suggested that India and Mexico should come together to promote Khadi globally.
- Companies in home textile are using technology to optimise the value chain. For example, in October 2021, Welspun India introduced Wel-Trak 2.0—an upgraded, patented end-to-end traceability technology—to track textile raw materials throughout the supply chain.
- Home textile companies in India are also leveraging strategic partnerships to strengthen their business operations and foothold in the country.
- In October 2021, Welspun India collaborated with DuPont Biomaterials to introduce a home textile range and strengthen the company's sustainable textiles business.
- In May 2021, Indo Count Industries Ltd. (ICIL) announced an investment of Rs. 200 crore (US\$ 26.9 million) to expand its production capacity.
- In April 2021, RSWM Limited, flagship company of the US\$ 1.2 billion LNJ Bhilwara Group, was recognised for achieving the highest textile export turnover in 2020 by the Ministry of Industries & CSR, Government of Rajasthan.
- In April 2021, Bella Casa Fashion & Retail Ltd. (BCFRL) announced that it is expanding its two existing plants and adding one new facility to offer employment opportunities to 1,000 people. The expansion



would involve a total investment of Rs. 65 crore (US\$ 8.63 million).

## **GOVERNMENT INITIATIVES**

The Indian government has come up with several export promotion policies for the textiles sector. It has also allowed 100% FDI in the sector under the automatic route.

Other initiatives taken by the Government of India are:

- Mr. Piyush Goyal also discussed the roadmap to achieve the target of US\$ 250 billion in textiles production and US\$ 100 billion in exports by 2030.
- In July 2023, 43 new implementing partners were empanelled under the SAMARTH scheme and an additional target of training around 75,000 beneficiaries has been allocated.
- 1,83,844 beneficiaries trained across 1,880 centres under Samarth.
- In June 2023, the Government approved R&D projects worth US\$ 7.4 million (Rs. 61.09 crore) in the textile sector.
- In February 2023, the union government approved 1,000 acres for setting up a textile park in Lucknow.
- In February 2023, according to the Union Budget 2023-24, the total allocation for the textile sector was Rs. 4,389.24 crore (US\$ 536.4 million). Out of this, Rs. 900 crore (US\$ 109.99 million) is for Amended Technology Upgradation Fund Scheme (ATUFS), Rs. 450 crore (US\$ 54.99 million) for National Technical Textiles Mission, and Rs. 60 crore (US\$ 7.33 million) for Integrated Processing Development Scheme.

The future of the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. India is working on various major initiatives to boost its technical textile industry. Owing to the pandemic, the demand for technical textiles in the form of PPE suits and equipment is on the rise. The government is supporting the sector through funding and machinery sponsoring.

Top players in the sector are achieving sustainability in their products by manufacturing textiles that use natural recyclable materials.

With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The growth in textiles will be driven by growing household income, increasing population and increasing demand by sectors like housing, hospitality, healthcare, etc.

## **Textile Industry in India**

The technical textiles market for automotive textiles is projected to increase to US\$ 3.7 billion by 2027, from US\$ 2.4 billion in 2020. Similarly, the industrial textiles market is likely to increase at an 8% CAGR from US\$ 2 billion in 2020 to US\$ 3.3 billion in 2027. The overall Indian textiles market is expected to be worth more than US\$ 209 billion by 2029.

References: *Ministry of Textiles, Indian Textile Journal, Department of Industrial Policy and Promotion, Press Information Bureau, Union Budget 2023-24.*

## **Wine Industry in India**

Wine refers to an alcoholic beverage made with the fermented juice of grapes. It consists of additional condiments, such as potassium sorbate, water, aromatics, potassium metabisulfite, acids, alcohol, tannins, and sugar, to inhibit enzymatic browning. Wine is rich in antioxidants that are beneficial in treating a common cold, lowering bad cholesterol, regulating blood sugar levels, reducing the risk of cancer, and protecting against cell damage. It is widely consumed directly or used in cooking applications to intensify the flavor and aroma of finished dishes. Commonly available in still, fortified, sparkling, and vermouth variants, moderate consumption of wine further

prevents circulatory and heart diseases, such as atherosclerosis, coronary heart disease, heart attack, failure, and stroke.

The wine market in India is growing due to the availability of online stores and speciality retailers, providing consumers with a wide range of choices and convenient online shopping experiences. Strong online distribution channels and platform providers like WineWell and LiquorKart are boosting online sales. This expansion creates opportunities for vendors to target customers without geographical limitations, enhance operational efficiencies, and offer customized products. The evolving retail landscape allows vendors to develop online strategies and eliminate middlemen, resulting in competitive pricing and increased profit margins. Factors such as rising disposable income, changing attitudes towards alcohol consumption, wine's perception as a sophisticated drink, and the growth of wine bars and tourism contribute to this market growth. The Indian wine market is expected to continue its upward trajectory and become a significant player in the global industry.

The Indian wine market size is estimated to grow at a CAGR of 30.92% between 2022 and 2027. The size of the market is forecast to increase by USD 688.16 million. In 2017 the size of the market was valued at USD 68.80 million.

This wine market in India report extensively covers market segmentation by Type (domestic and imported) and Product (red, fortified, white, and sparkling). It also includes an in-depth analysis of drivers, trends, and challenges.

### Wine Market in India Market: Overview



### Trends

The rising population of millennials worldwide is the key trend in the market. The spending power of millennials is tremendous and is anticipated to grow. Millennials made up over 40% of India's working-age population in 2022 and were among the group's highest salary earners. Alcoholic beverages, including wine, are becoming popular among millennials, as millennials are more enthusiastic to try out new variants and flavors than other consumer segments. The millennial population accounted for one-third of the total population in India in 2022, providing a huge opportunity for domestic players to expand their geographical presence and increase their customer base. The millennial population is expected to play an essential role in the growth of the India wine market during the forecast period.

### Challenge

Campaigns against alcohol consumption is the major challenge impeding market growth. Organizations are launching campaigns against alcohol consumption and players to prevent the growing incidence of alcohol abuse and alcohol-related accidents, especially among the younger population. The stringent advertising restrictions on alcoholic beverages, along with increasing campaigns against alcohol consumption in India, can hamper the growth of the wine market in India during the forecast period.

The prolonged consumption of alcoholic beverages, including wine, can cause various health-related issues. The excessive consumption of alcohol can affect the physical and mental well-being of people. Increasing awareness about health and the inclination of people toward healthy lifestyles have encouraged the consumption of healthy drinks and beverages. The growing preference for non-alcoholic beverages, such as health drinks, is affecting the growth of the market in the country.

### Customer Landscape

The India wine industry research report includes the adoption lifecycle of the market, covering from the innovator’s stage to the laggard’s stage. It focuses on adoption rates in different regions based on penetration. Furthermore, the report also includes key purchase criteria and drivers of price sensitivity to help companies evaluate and develop their growth strategies.

### Wine Market in India Segmentation by Product

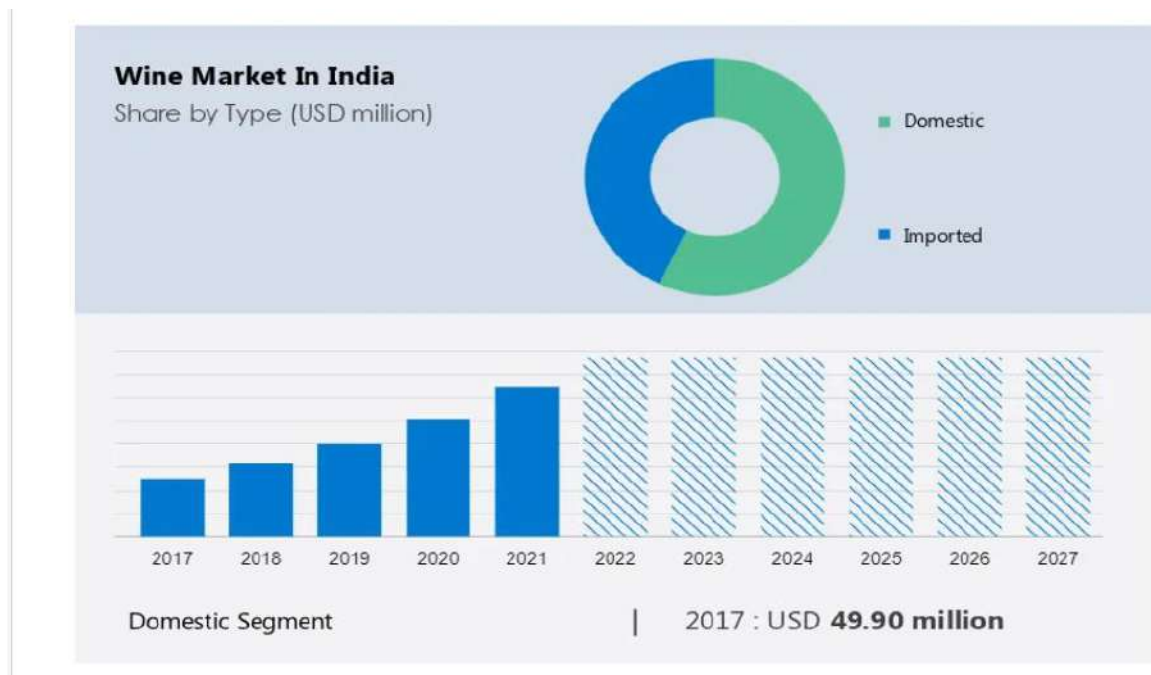
Red wine segment is produced by fermenting dark-colored grapes, resulting in a range of shades depending on the grape’s acid content. The extraction of flavor and color from the grape skin gives red wine its distinctive characteristics. However, the market faces challenges such as adulteration and counterfeiting, leading to losses and tarnished brand images. COVID-19 impacted wine sales in 2020, but the reopening of retail channels in 2021 is expected to drive steady growth in the Indian red wine market.

The fortified wine segment in India is experiencing growth driven by factors such as increasing demand for sweeter and flavorful options, accessibility and affordability, cultural and social factors, diversification of product portfolios by vendors, and growing awareness and education about wine. These factors contribute to the importance of fortified wine in the expanding Indian wine market.

### Wine Market in India Segmentation by Type

The market share growth of the domestic segment will be significant during the forecast period. The demand for premium wine brands is increasing among consumers in India. The rising demand for premium wine in recent years has increased the launch of innovative products. Rising consumer preferences for smooth, rare, and innovative flavors of wine have increased, which has fostered the domestic production of wine.

### Wine Market in India Size



- The Wine market in India is projected to generate a revenue of US\$6,974.0m in 2024.
- The volume of Wine market consumed is projected to reach 1,073.0m L by 2028.
- In 2025, the Wine market is expected to exhibit a volume growth rate of 15.4%.
- Furthermore, the average volume per person in the Wine market is predicted to be 0.49L in 2024.
- India's wine market is experiencing rapid growth due to increasing consumer demand and a growing appreciation for wine culture.

The India wine market size reached US\$ 164.1 Million in 2022. Looking forward, IMARC Group expects the market to reach US\$ 477.9 Million by 2028, exhibiting a growth rate (CAGR) of 18.9% during 2023-2028.

The widespread product adoption in the food and beverage (F&B) industry across the country is creating a positive outlook for the market. Wine is widely used to impart delicate flavors and bring out the richness of products. Additionally, the increasing product demand among young consumers due to the emerging trend of socializing at restaurants and bars is favoring the market growth. Apart from this, the introduction of organic wines that restrict the use of chemicals in their harvest and preparation is propelling the market growth. The practice of such sustainable methods by growers offers various health and environmental benefits, such as higher concentration of antioxidants, better heart health, easier to process by the liver, and lower carbon footprint. In line with this, the increasing demand for gluten-free alcoholic beverages due to the rising health consciousness among the masses and the increasing incidences of celiac disease is propelling the market growth. Furthermore, the rising demand for premiumization of wine manufactured with high-quality ingredients and the launch of new flavored fortified wines are positively impacting the market growth. Other factors, including increasing expenditure capacities of consumers, improving lifestyles, and easy product availability across e-commerce platforms, are supporting the market growth.

Domestic and imported wine brands in India have a bright future ahead of them as cultural shifts create beneficial consumer trends and penetration into less tapped demographics, such as younger LDA drinkers and men.

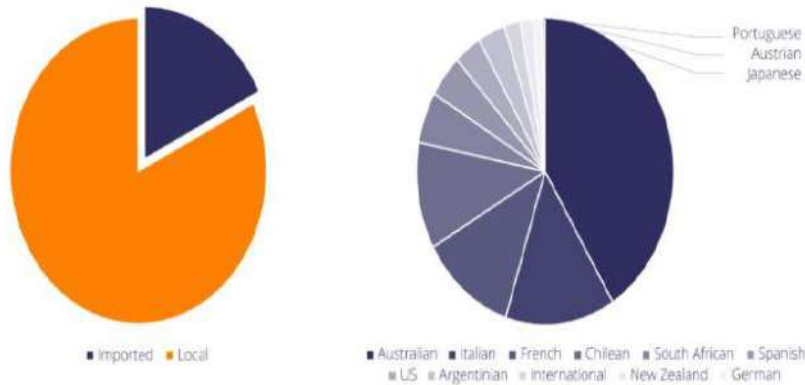
An increased focus on higher quality offerings by the dominant domestic wine industry and increased consumption without food are also likely to boost demand – but imported wines face familiar hurdles in the shape of high taxes and tariffs, and a cumbersome regulatory system.

In the short term, the Covid-19 pandemic had a significant impact on wine sales during 2020. The on-trade is an important channel for wine in India, and closures and lockdowns led to sales volumes plummeting by about -20% in 12 months, according to IWSR data. Imports were also adversely affected by supply disruption and the scaling back of distribution, as well as challenges with international logistics and liquidity.

But longer-term pre-pandemic trends show wine becoming more approachable and acceptable in Indian society. “In both TV and film, young and discerning characters are drinking wine, most importantly without food, beginning to break a connection in many consumers’ minds,” reports IWSR research analyst Jason Holway. “These characters are both male and female, subtly questioning the conventional view that wine is more of a woman’s drink.”

Domestic producers account for 70% of still wine consumption, 80% of the sparkling wine category, and over 80% of the total wine category in India.

## Wine Consumption in India By Country of Origin



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The pandemic afforded these domestic brand owners an opportunity to rethink their strategies, focusing more on their higher-margin products and concentrating more on their retail routes to market as on-trade opportunities contracted. “Consumer education remains a key priority, but there is a sense that the category has attracted new consumers within more affluent, metro households,” says Holway.

This has also encompassed the creation of innovative, more egalitarian products, including wine in cans. Sula and Fratelli, for example, have launched canned products in the still and sparkling wine spaces with Dia and Tilt respectively.

“There is a sense that local players, deprived of on-trade opportunities for much of 2020, have taken a step back and reassessed their priorities,” says Holway. “They have focused on better-quality yet still very much affordable wines and sought to weaken associations with food and female customers, without entirely breaking connections to what will remain important consumer drivers.”

For imported wines, 2020 was an immensely challenging year, thanks to Covid-19 restrictions and disruptions to supply and distribution. All origins and price bands registered volume declines during the year – except for premium wines from South Africa, which owed their increase to the anomalous stocking and promotion of one brand.

Nonetheless, international wine companies are eyeing growth in India as a key strategic goal in the longer term, with the country named as a target market in trade body Australian Grape & Wine’s 2021-22 Pre-Budget Submission to the Australian Government.

The submission identifies India as a “significant growth opportunity” for Australian wine, which it says is “already the primary importer of wine in the relatively small wine market”, outlining a 10-year plan of short-, medium- and long-term objectives.

“It is certainly the right time for the governments of Australia and India to get started on the work to help improve market access for Australian wine exporters and foster a regulatory environment that supports all wine producers hoping to sell wine in India – both Indian and Australian,” says Lee McLean, general manager, government relations and external affairs at Australian Grape & Wine.

The Australian approach is to try to collaborate with India’s domestic wine industry, rather than compete with it. “We believe there is real opportunity for Australian and Indian grape growers and winemakers to work together to grow the market for wine in India,” says McLean.

“We already have a number of Australian viticultural and winemaking consultants working with India’s industry, forming relationships and sharing information and expertise. If the regulatory, taxation and tariff environment improves over time, there is also a great opportunity for Australian wine businesses to invest in Indian businesses to further develop the Indian wine sector.”

However, the approach of individual wine companies will vary according to their size and priorities. “For some businesses, there will be benefit in getting into the Indian market early to establish brand recognition and distribution channels,” says McLean. “However, for many others, the current regulatory, tax and tariff barriers will mean the market is not the right fit for them.”

In the short term, India’s recovery from the restrictions brought by the Covid-19 pandemic will be key to the future development of the wine market. “Any recovery in demand will be linked to the reopening of the on-trade and the reinstatement of such key social events as weddings, although the possibility of retaining a premium-priced presence in the off-premise should also not be ignored,” says Holway. “The industry is well-placed to recover from the downturn in demand, not least because penetration remains very low, but awareness is increasing.

“As long as all parties – domestic producers, imported brands and their distribution partners – get the balance right between educating consumers and offering choice at accessible price-points, and invest in distribution – both at home and overseas – the prospects are bright for growth.”

Source: <https://www.theiwsr.com/will-wine-take-off-in-india/>



Source: [https://mma.prnewswire.com/media/2030739/Technavio\\_Report\\_titled\\_India\\_Wine\\_Market.html](https://mma.prnewswire.com/media/2030739/Technavio_Report_titled_India_Wine_Market.html)

## OUR BUSINESS

*Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For the purpose of discussion of certain risks in connection with investment in the Equity Shares, you should read "**Risk Factors**" beginning on page 20 of this Letter of Offer, and for the purpose of discussion of the risks and uncertainties related to those statements, as well as for the discussion of certain factors that may affect our business, financial condition or results of operations, you should read "**Financial Statements**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" beginning on pages 110 and 171, respectively of this Letter of Offer. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.*

### **Overview and History**

Our Company was incorporated as "*Five Star Mercantile Private Limited*" on August 6, 2007, as a private limited Company under the Companies Act, 1956 and was granted the Certificate of Incorporation by the Registrar of Companies, Mumbai. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to "*Five Star Mercantile Limited*" on January 3, 2012, and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Mumbai.

Subsequently, our Company, Five Star Mercantile Private Limited entered into a Composite Scheme of Arrangement and Amalgamation with the division of Morarjee Textiles Limited called 'the Integra Division' and Morarjee Holdings Private Limited. This Composite Scheme of Arrangement and Amalgamation was approved by the Hon'ble Bombay High Court vide its order dated June 29, 2012. Consequently, the name of our Company was changed to "*Integra Garments and Textiles Limited*" and a fresh Certificate of Incorporation was issued on August 2, 2012, by the Registrar of Companies, Mumbai.

Pursuant to this amalgamation, the main object of our Company shifted to carry on the business of manufacturing, along with trading, dealing, importing, exporting, and selling textiles and fabrics. Our Company dealt with men's, women's and children's clothing and wearing apparel garments and dresses of every kind, nature and description as per the market trends.

On July 14, 2021, our Company was acquired by Mr. Vishesh Gupta upon completion of the open offer, and pursuant to the Share Purchase Agreement dated March 31, 2021 and the management of our Company underwent a change. Our Company with effect from August 7, 2021, appointed and composed a new Board of Directors and Key Managerial Personnel.

After the change in the management and control of our Company, the objects were broadened. The present objects of our Company comprise of manufacturing, trading and dealing in garments and textiles, ventured into dealing, trading of agricultural commodities, life necessities, items of basic human needs, organic and natural products and processed foods and other essential goods, Energy and infrastructural products among others. Accordingly, the name of our Company was changed to "*Integra Essentia Limited*" on February 16, 2022, and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Mumbai.

Presently, our company is engaged in the trading business of Life Essentials i.e. food (Agro products), clothing (textiles and garments), infrastructure (materials and services for construction and infrastructure development) and energy (materials, products and services for the renewable energy equipment and projects) and other ancillary products and services required to sustain the modern life. Further recently company has acquired a winery i.e. CHATEAU INDAGE Winery to strengthen its presence in entire supply chain spectrum of consumable goods. Company is focusing on this segment with a long-term vision. To enhance this business efficiency, company operating winery through a third party to manage business more professionally, however company may change this party in near future at its own discretion.

At present, our company is not carrying the manufacturing/trading of textiles and garments on its own, but planning to engaged third parties such as contract manufactures etc.

**A. Product Portfolio of Life Essential Goods/ Commodities:**

After the change in the management, our Company has recently ventured into four trading business segments namely Agro products, clothing, infrastructure, and energy. Recently Company has added a new vertical to its business profile i.e. Winery.

1. ***Agro Products:***

Our Company deals in trading of agro products comprising of certified organic agro products and general agro products such as rice, wheat, flour, grains, pulses, tea, coffee, sugar, dry fruits, spices, vegetables, exotic and general fruits and a variety of other products of the same nature such as juices and nectars, organic herbs, essences, agro nutraceuticals and dairy products.

Our Company has already bagged and achieved a sale of approximately ₹ 18395.28 lakhs by end of December 31, 2023 for supplying of agro goods and commodities.

2. ***Winery:***

Our Company is engaged in the business of manufacturing & trading of Wine & Other ancillary products of CHATEAU INDAGE. Company has acquired the same through from Edelweiss Assets Reconstruction Co.

Our Company has started business of winery from year 2023 only, it will take bit time to capitalize from this business. However, company has a good stock of wine and planning to make a valuable supply chain for the distribution of its products.

3. ***Clothing:***

Our Company deals in the clothing and textile segment comprising of clothing and furnishing fabrics, linen material. Our product portfolio in this segment consists of bed linen, table linen for domestic use, hotels and hospitals supplies, upholstery materials, curtains & curtain fabrics, carpets and rugs and apparels for men, women, and children.

Our Company has started business of clothes in fiscal year 2022, however the sales figures are negligible.

4. ***Infrastructure:***

Our Company is engaged in the business of trading of materials for construction and infrastructure development such as steel products comprising of TMT bars, girders, and hollow sections; construction materials comprising of cement, bricks, tiles, mortar, bitumen; pipes & plumbing systems; electrical conduits, switches, circuit breakers etc; irrigation pipes and sprinkler systems, drip irrigation systems and hybrid irrigation systems, borewell pumps etc; and rainwater harvesting systems.

Our Company has started the trading of materials for construction and infrastructure development in fiscal year 2022, however the turnover is negligible.

5. ***Energy:***

We offer materials, products and services for renewable energy equipment and projects such as solar power generators, hydrogen cell power generators, and batteries for solar & hydrogen cell power generators.

Our Company has started business in energy sector in fiscal year 2022, however the sales figures are negligible.



**B. Business Strategies**

1. ***Continuity with caution***

Our Company intends to continuously expand its product offering ranging from agro products, clothing, infrastructure, and energy.

2. ***Evaluate the possibilities of export***

We intend to evaluate the possibilities of exports and commence exports our products in the near future. This will supplement our total market and improve margins thereby helping us improve our profitability and return on capital employed.

3. ***Acquisition of land***

We intend to take land on a lease at different locations for producing certified Organic Agro Products for further expansion including but not limited to acquisition of winery in narayangaon.

4. ***Launch its retail brand***

We intend to launch and establish our retail presence in the Agro Products segment throughout the country in order to tap into the market widely market.

5. ***Enhanced focus on efficiency, cost and return on capital***

We intend to continue to improve the efficiency of our operations, reduce costs, improve margins and enhance the efficiency of capital employed thereby increasing the return on our capital, while still focusing on sustainable growth. We will continue to leverage technology for better demand planning, replenishment and in-season management activities. These actions are expected to improve margins and reduce costs while improving our delivery times. With a strong focus on cash generation, we are also reducing our exposure to customer segments and channels that require us to maintain high levels of inventory or have longer payment cycles. We believe our focus on costs, network efficiency and asset turns will help us improve our profitability and return on capital employed.

6. ***Maintain and expand long-term relationships with clients***

Our Company believes that business is a by-product of good relationships. The business model is based on client relationships that are established over a period of time rather than a project-based execution approach. Our Company believes that long-term client relationships fetch better dividends. Long-term relations are built on trust and continuous satisfaction of the customers. We intend to focus on expanding our customer base and forming new long-term relationships with customers by catering to their needs and demands in a timely, efficient and cost-effective manner.

7. ***Leveraging our marketing skills and relationships***

We continue to enhance our business operations by ensuring that our network of customers increases through our marketing efforts. Our core competency lies in our deep understanding of our customers' buying preferences and behaviour, which has helped us in achieving customer loyalty. We endeavour to continuously improve the product and services mix offered to the customers as well as strive to understand and anticipate any change in the expectation of our clients towards our products. We intend to strengthen our existing marketing team by inducting personnel with expertise in the packaging and pre-fabricated industry, who will supplement our existing marketing strategies in the domestic markets. We have already started supplying products in conformity with the international standards, which makes the quality of our products, our biggest marketing advantage. Our operations have endeavoured to learn and follow the global trends to improve our efficiency, quality and customer servicing.

**C. Business Strengths**

Our Company believes that the following are its principal competitive strengths:

1. ***Innovation***

New technologies take over the market every few years and therefore we believe in bringing the latest and most innovative products and services to our customers. Innovation helps us in bringing the best out on boards and thus achieving customer satisfaction.

2. ***Transparency***

We believe that we grow only with the help of our suppliers, employees, customers and stakeholders. We have a responsibility towards them which we fulfil through our openness and effective communication. With our effective communication methodologies, we deal with all the barriers and thus offer easy access to our products and services.

3. ***Focus on customers***

We choose to focus on the customer's needs right from day one, by addressing our customer needs. We believe that our existing client relationships help us get continued business from our customers. Our job responsibilities and resources are aimed at the fact that the customers get services and products that are designed to suit their needs. This has helped us maintain a prospective long-term working relationship with our customers and improve our customer retention strategy. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business.

**D. Intellectual Property Rights**

As on date, our Company does not own any Intellectual Property in its name.

**E. Properties**

1. 607, 6<sup>th</sup> Floor, Pearls Best Height -II, Netaji Subhash Place, North West Delhi, Delhi, India-110034
2. C-5/108, Ground Floor, Khasra No. 99/1, Swarn Park Extn., New Delhi – 110041

Our present Registered Office & Godown both is on short term leasehold basis.

**Human Resources**

The human resource function has been significant for our Company. It plays a pivotal role in the change of management and triggers the unlocking of human potential, which results in organisation transformation and success. Our learning and development philosophy is to ensure that real learning takes place and endures. We believe that real learning takes place when a learner can develop a new skill, competency and behaviour and is able to internalise and apply consistently to relevant work-life situations. As on December 31, 2023, our Company had a workforce of 13 (Thirteen), which may increase further as the Company's business is in expansion.

**Insurances**

As on date of this Letter of Offer, our Company has not obtained any insurance pertaining to its business.

**Legal Proceedings**

For details on the outstanding litigation against our Company, our Group Companies, our Directors and our Promoters, please see "*Outstanding Litigation and Material Developments*" beginning on page 181 of this Letter of Offer.

## RECENT DEVELOPMENT IN OUR BUSINESS

### These are some key highlights of business development:

1. On February 15, 2023 Company has acquired Assets including land, building, plant and machinery of Winery for Rs. 400 millions – Company has purchased assets of Winery for Rs. 400 millions, as a part of its pre-defined long-term business growth strategy and to strengthen its presence in entire supply chain spectrum of consumable goods.

These purchased assets situated in Narayangaon, Maharashtra, a strategic location having optimum climate for grape cultivation, known for its world-class high-quality grapes, comprises (a) Winery Land of 58,612 square meters (b) Winery Buildings of 16,629 square meters RCC, fully insulated, and (c) Winery Equipment including 60 lakh liters stainless steel storage, 4 bottling lines, 2 crushers/pressers, online cold stabilization and filtration etc. surrounded by thousands of acres of planted vineyards, which 'll enable Integra Essentia Limited to have easy access to quality grapes, perfectly ripened harvest to release the juices through crushing in its purchased processing units, winery to be run either individually or in a joint venture with some other industry player.

2. November 30, 2023; company has received fresh orders of amounting to ~INR 120+ Million for Premium Dry Fruit (Cashew Nuts) along with the Infrastructure Materials Division for ERW Steel Pipes and HR Coils.
3. December 12, 2023; The company has decided to acquire an additional substantial stake in M/s Brewtus Beverages Private Limited (BBPL), which is currently an associate concern with Integra Essential holding about 25.76 % of the equity acquired during Q2 FY2024.
4. December 13, 2022; Company through its Rice Processing business, the Bareilly unit has processed 2200 MT of rice for Food Corporation of India (FCI) supplying the product across various allocated FCI locations since the company acquired processing facility under a Joint Venture agreement in august 2022.
5. August 6, 2022; Company is acquiring 66% stakes in the Joint Venture entity, which is a fully operational rice processing facility, carrying all the requisite licenses and certifications to produce Premium Rice for domestic as well as international markets. The state-of-the art processing unit is spread over 4500 Sq. Metres of land with up-to-date equipment sourced from Japan and the United States, having an installed capacity to process 21000 Metric Tonnes of Export Quality Rice Annually.

There are many more orders and announcement that company has made over the exchanges to represent the recent development in the business of company.

## OUR MANAGEMENT

Our AOA requires us to have not less than three and not more than fifteen Directors. As on date of this Letter of Offer, we have six (6) Directors on our Board, comprising of three (3) Executive Directors, three (3) Non-Executive Independent Directors, including two (2) women directors. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

Pursuant to the provisions of the Companies Act, 2013, at least two-third of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each Annual General Meeting. A retiring director is eligible for re-appointment. Further, an Independent Director may be appointed for a maximum of two consecutive terms of up to five years each.

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

| No. | Name, designation, address, DIN, date of birth, term, period of directorship, occupation   | Designation        | Other directorships  |
|-----|--|--------------------|--|
| 1.  | <p><b>Mr. Arijit Kumar Ojha</b></p> <p><i>Age: 43</i></p> <p><i>Address:</i> A-1/108, Block A-1, Lawrence Road, Keshav Puram, Wazirpur, North West Delhi, Delhi - 110035</p> <p><i>DIN:</i> 10265020</p> <p><i>Date of Birth:</i> March 03, 1980</p> <p><i>Term:</i> From January 23, 2024 till Ensuing AGM/EGM</p> <p><i>Period of directorship:</i> Since January 23, 2024</p> <p><i>Occupation:</i> Service</p> <p><i>Qualification:</i> Post – Graduate Diploma in Business Management</p> | Executive Director | <i>Nil</i>   |
| 2.  | <p><b>Mr. Deepak Kumar Gupta</b></p> <p><i>Age: 49</i></p> <p><i>Address:</i> A-10, Lok Vihar, Saraswati Vihar, Pitampura North West Delhi - 110034</p> <p><i>DIN:</i> 00057003</p> <p><i>Date of birth:</i> December 23, 1974</p> <p><i>Term:</i> From July 27, 2023 till July 26, 2028</p> <p><i>Period of directorship:</i> 5 years</p> <p><i>Occupation:</i> Business</p> <p><i>Qualification:</i> Master in Business Administration (MBA - Finance)</p>                                   | Executive Director | <ul style="list-style-type: none"> <li>• G G Engineering Limited</li> <li>• Steeljunction Private Limited</li> <li>• Vrindaa Advanced Materials Limited</li> <li>• Just Right Life Limited</li> <li>• Haryana Foils Limited</li> <li>• Maxim Steels Private Limited</li> <li>• Suma Fibres and Allies Limited</li> </ul> |

| No. | Name, designation, address, DIN, date of birth, term, period of directorship, occupation  | Designation                         | Other directorships  |
|-----|---|-------------------------------------|--|
| 3.  | <p><b>Mr. Puneet Ralhan</b></p> <p><i>Age:</i> 42</p> <p><i>Address:</i> E-7/1, DLF Phase-1, Sikanderpur Ghosi (68) Gurgaon, Haryana, India-122002</p> <p><i>DIN:</i> 03588116</p> <p><i>Date of birth:</i> August 5, 1981</p> <p><i>Term:</i> From July 27, 2023 to July 26, 2028</p> <p><i>Period of directorship:</i> 5 years</p> <p><i>Occupation:</i> Business</p> <p><i>Qualification:</i> Master's degree in Business Administration (Marketing &amp; Finance)</p>                         | Executive Director                  | <ul style="list-style-type: none"> <li>• Agnetta International Private Limited</li> <li>• Brewtus Beverages Private Limited</li> <li>• Prospero Beverages Private Limited</li> <li>• Spiritex Spirits LLP</li> </ul> |
| 4.  | <p><b>Mrs. Sony Kumari</b></p> <p><i>Age:</i> 32</p> <p><i>Address:</i> E-30B, Flat No. 8, 2nd Floor Chhatarpur Extension Near Suman Chowk, Chattarpur, Delhi - 110 074</p> <p><i>DIN:</i> 09270483</p> <p><i>Date of birth:</i> November 7, 1991</p> <p><i>Term:</i> From August 7, 2021 till August 6, 2026</p> <p><i>Period of directorship:</i> 5 years</p> <p><i>Occupation:</i> Professional</p> <p><i>Qualification:</i> Associate member of Institute of Company Secretaries of India</p> | Non- Executive Independent Director | <ul style="list-style-type: none"> <li>• Advik Capital Limited</li> <li>• Advikca Finvest Limited</li> <li>• Justride Enterprises Limited</li> </ul>   |
| 5.  | <p><b>Mrs. Gunjan Jha</b></p> <p><i>Age:</i> 38</p> <p><i>Address:</i> House No-191,4th Floor, School Block Shakarpur, L Corner Building ShakarPur, Baramad Sh, East Delhi-110092</p> <p><i>DIN:</i> 09270389</p> <p><i>Date of birth:</i> January 5, 1986</p> <p><i>Term:</i> From August 7, 2021 till August 6, 2026</p> <p><i>Period of directorship:</i> 5 years</p>  | Non- Executive Independent Director | <ul style="list-style-type: none"> <li>• Advik Capital Limited</li> <li>• Advikca Finvest Limited</li> </ul>   |

| No. | Name, designation, address, DIN, date of birth, term, period of directorship, occupation  | Designation                        | Other directorships  |
|-----|---|------------------------------------|--|
|     | <i>Occupation:</i> Professional   |                                    |  |
|     | <i>Qualification:</i> Fellow member of Institute of Chartered Accountant of India   |                                    |  |
| 6.  | <b>Mr. Anshumali Bhushan</b><br><i>Age:</i> 32<br><i>Address:</i> H.No.208, 3rd Floor, State Bank Nagar, Outer Ring Road, Near Meera Bagh, Paschim Vihar, West Delhi, Delhi - 110063<br><i>DIN:</i> 01258923<br><i>Date of birth:</i> March 23, 1975<br><i>Term:</i> From May 17, 2023 till May 16, 2028<br><i>Period of directorship:</i> 5 years<br><i>Occupation:</i> Service<br><i>Qualification:</i> Ph.D., and Master's Degree from IIT Kanpur. | Non-Executive Independent Director | <ul style="list-style-type: none"> <li>• IGL Genesis Technologies Limited</li> <li>• Genesis Net Labs Private Limited</li> <li>• Genesis Futuristic Technologies Limited</li> <li>• Genesis Location Services Private Limited</li> </ul> |

## BRIEF BIOGRAPHIES OF OUR DIRECTORS

### Mr. Arijit Kumar Ojha

Mr. Arijit is Post Graduate in Management Studies (with Marketing & HR as majors). He is having a rich & dynamic professional experience of 19 years in Marketing, Finance, Advertising, Sales; imparting trainings.

### Mr. Deepak Kumar Gupta

Mr. Deepak Gupta is a Bachelor of Commerce and Master of Business Administration (Finance). Further he has good experience of 10 years in Business administration and other allied matters.

### Mr. Puneet Ralhan

Mr. Puneet Ralhan has done B.SC (hons) from Oxford Brookes university. Further he has rich experience of more than 12 years in Marketing, Business administration, strategic planning and other allied matters.

### Mrs. Gunjan Jha

Mrs. Gunjan Jha, Independent Director of our Company is a fellow member of Institute of Chartered Accountant of India. She has an experience of more than 11 years in finance, taxation and audit fields.

### Mrs. Sony Kumari

Mrs. Sony Kumari, Independent Director of our Company is an Associate member of Institute of Company Secretaries of India. She has an experience of more than 7 years in Corporate Secretarial, legal, Statutory Compliance, Corporate Governance, IPR and allied fields.

**Mr. Anshumali Bhushan**

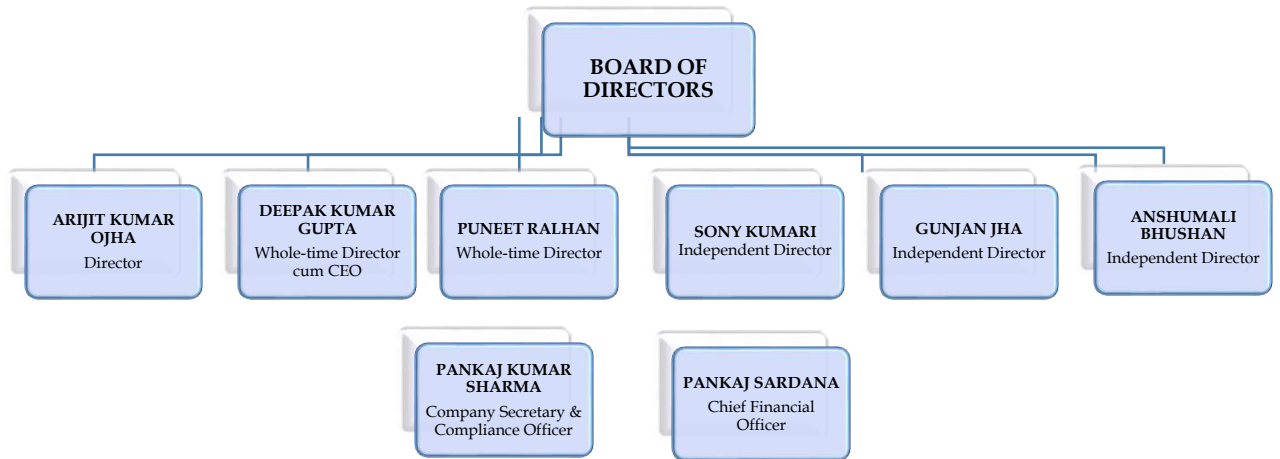
Dr. Anshumali Bhushan Ph.D., having a Master's Degree from IIT Kanpur has a proven track record in nurturing Innovations, Startups and strategizing necessary ecosystems for developing/scaling up the products in various sectors like Defence, Electrical Utilities, Gas and Water Measuring Utilities.

Dr. Anshumali Bhushan, having in-depth knowledge of his domain areas and experience of more than 2 decades, has served as a consultant to the President of Cote'd Ivoire for the setup of IT and Biotech Park at Abidjan, Cote'd Ivoire

**Confirmations**

1. Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
2. None of the Directors of our Company have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Letter of Offer, during the term of his/ her directorship in such company.
3. None of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.
4. None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our Directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.
5. None of our Directors have been identified as a wilful defaulter or fraudulent borrower, as defined in the SEBI Regulations and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation are pending against them.

## Management Organisation Structure



## Corporate Governance

The provisions of the SEBI Listing Regulations and the Companies Act with respect to corporate governance are applicable to us.

We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, Companies Act and the SEBI ICDR Regulations, in respect of corporate governance including constitution of our Board and Committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

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

### Committees of our Board

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

- 1) Audit Cum Risk Management Committee
- 2) Nomination and Remuneration Committee
- 3) Stakeholders' Relationship Cum Share Transfer Committee



## TERMS OF REFERENCE OF VARIOUS COMMITTEE:

### 1) Audit Cum Risk Management Committee

Our Audit Committee was last reconstituted by our Board of Directors in their meeting held on July 27, 2023 with the following members forming a part of the said Committee:

| Name                      | Designation |
|---------------------------|-------------|
| 1. Mrs. Gunjan Jha        | Chairperson |
| 2. Mr. Anshumali Bhushan  | Member      |
| 3. Mr. Deepak Kumar Gupta | Member      |

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

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

- i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible;
- ii) Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- iii) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- iv) Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement; to be included in the Board's Report in terms of clause (c) of subsection (3) of Section 134 of the Companies Act, 2013; changes, if any, in accounting policies and practices and reasons for the same;
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transaction;
  - g) Modified opinion(s) in the draft audit report;
- v) Reviewing, with the management, the quarterly Financial Statements before submission to the Board for approval;
- vi) Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the Report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vii) Reviewing and monitoring the Auditor's independence & performance, and effectiveness of audit process;
- viii) Approval or any subsequent modification of transactions of the Company with related parties;
- ix) Scrutiny of inter-corporate loans and investments;
- x) Valuation of undertakings or assets of the Company, wherever it is necessary;
- xi) Evaluation of internal financial controls and risk management systems;
- xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv) Discussion with internal auditors of any significant findings and follow up there on;
- xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- xvi) Discussion with Statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii) To review the functioning of the Whistle–Blower mechanism;
- xix) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- xx) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- xxi) Carrying out any other function as may be assigned to it by the board of director from time to time.
- xxii) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- xxiii) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

## 2) Nomination and Remuneration Committee

Our Nomination and Remuneration Committee was last reconstituted by our Board of Directors in their meeting held on July 27, 2023 with the following members forming a part of the said Committee:

| Name                     | Designation |
|--------------------------|-------------|
| 1. Mrs. Gunjan Jha       | Chairperson |
| 2. Mr. Anshumali Bhushan | Member      |
| 3. Mrs. Sony Kumari      | Member      |

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

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

- (i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel ("KMP") and other employees;
  - A. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    - a) Use the services of an external agencies, if required;
    - b) Consider candidates from a wide range of backgrounds, having due regard to diversity;
    - c) Consider the time commitments of the candidates.
- (ii) Specification of manner and criteria for effective evaluation of performance of Board, its committees and individual directors, to be carried out either by the board or by an independent external agency and review its implementation and compliance.
- (iii) Devising a policy on diversity of board of directors;
- (iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (v) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- (vi) Recommend to the board, all remuneration, in whatever form, payable to senior management.

### 3) Stakeholders' Relationship Cum Share Transfer Committee

Our Stakeholders' Relationship Cum Share Transfer Committee was last reconstituted by our Board of Directors in their meeting held on July 27, 2023 with the following members forming a part of the said Committee:

| Name                     | Designation |
|--------------------------|-------------|
| 1. Mrs. Gunjan Jha       | Chairperson |
| 2. Mr. Anshumali Bhushan | Member      |
| 3. Mrs. Sony Kumari      | Member      |

The Company Secretary acts as the secretary of the Stakeholders' Relationship Cum Share Transfer Committee.

The scope, functions and the terms of reference of our Stakeholders' Relationship Cum Share Transfer Committee, is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations which are as follows:

- (i) To consider and resolve the grievance of all the security holders related to transfer/ transmission of shares, non-receipts of annual reports and non-receipts of declared dividends, issue of new duplicate certificates, general meetings etc.;
- (ii) To review the measures taken for effective exercise of voting rights by shareholders
- (iii) To review the adherence to service standards adopted by the company in respect of various services being rendered by the Share Transfer Agent.
- (iv) To review various measures and initiatives undertaken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- (v) To review and act upon such other grievances as the Board of Directors delegate to the Committee from time to time.

#### **Our Key Managerial Personnel:**

In addition to our directors, whose details have been provided under paragraph above titled 'Brief Profile of our Directors', set forth below are the details of our Key Managerial personnel as on the date of filing of this Letter of Offer:

#### **Mr. Pankaj Kumar Sharma, Company Secretary and Compliance Officer**

Mr. Pankaj Kumar Sharma is the Company Secretary and Compliance Officer of the Company. He is a Bachelor of Commerce degree. He was appointed as the Company Secretary and Compliance Officer on August 9, 2022. He is an Associate member of The Institute of Company Secretaries of India and has prior experience in Corporate Secretarial practices, legal, Statutory Compliance, Corporate Governance and allied matters. Mr. Pankaj Kumar Sharma is our permanent employee.

#### **Mr. Pankaj Sardana, Chief Financial Officer (CFO)**

Mr. Pankaj Sardana is the Chief Financial Officer (CFO) of the company, Mr. Pankaj Sardana is a qualified Chartered Accountant with 3 years of experience in the field of finance and taxation. He is an associate member of Institute of Chartered Accountant of India.


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

None of the Key Managerial Personnel are related in any capacity with the other Key Managerial Personnel of the Company.

## OUR PROMOTER

Our Promoter is Mr. Vishesh Gupta. As on date of this Letter of Offer, the Promoter of our Company holds, in aggregate of 19,02,45,692 Equity Shares constituting 20.81% of our issued, subscribed and paid-up equity share capital.

### BRIEF PROFILE OF OUR INDIVIDUAL PROMOTER

|   |  |
|---|--|
|  | <p><b>Mr. Vishesh Gupta</b> aged 38 years, is associated with our Company since 2021 as a director and was further re-designated as Chairman and Managing Director of our Company for a period of 5 (five) years with effect from August 7, 2021. Mr. Vishesh Gupta is a driving force behind our Company, having more than a decade of experience in the field of finance, management, strategy making and other affairs of the Company.</p> <p><i>*However, Due to his pre-occupancy with ongoing projects he decided to step down from the position of Managing Director of the company w.e.f. January 23, 2024.</i></p> <p><b>Date of Birth:</b> December 18, 1985</p> <p><b>Age:</b> 38 years</p> <p><b>Residential Address:</b> F-14/9, Model Town, Part-II, New Delhi -110009</p> <p><b>Nationality:</b> INDIAN</p> <p><b>PAN:</b> AIAPG4936H</p> |
|---|--|

Our Company confirms that the permanent account number, bank account number and passport number of our Promoter shall be submitted to the Stock Exchanges at the time of filing this Letter of Offer.

For details of the educational qualifications, experience, other directorships, positions / posts held by our Promoter, please see the chapter titled "*Our Management*" on page 97 of this Letter of Offer.

#### Confirmations:

1. None of our Promoter has been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.
2. Our Promoter has not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
3. None of our Promoter or Promoter Group entities have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoter and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
4. Except as disclosed in the chapter titled "Outstanding Litigation and Material Developments", there are no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoter.

## **INTEREST OF OUR PROMOTER**

### ***Interest of Promoters***

Our Promoter does not have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by him or his relatives but used by our company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by him or his relatives and associates or held by the companies, firms and trusts in which he is interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled “**Capital Structure**”, “**Financial Statements as Restated**” and “**Our Management**” beginning on page 51, 110 and 97 of this Letter of Offer

Except as stated otherwise in this Letter of Offer, we have not entered into any contract, agreements or arrangements in which our Promoters is directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the normal course of business. For further details, please refer the section titled “**Related Party Transactions**” in chapter “**Financial Statements as Restated**” on page no. 110 of this Letter of Offer.

### ***Interest in promotion of our Company***

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters is interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

### ***Interest in the property, land, construction of building, supply of machinery, etc.***

Except as mentioned in the chapter titled ‘**Our Business**’ beginning on page 92 of this Letter of Offer, our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of 3 (three) years before filing of this Letter of Offer or in any transaction by our Company for acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

### ***Payment or Benefit to the Promoters or Promoter Group in the last 2 (two) years***

Except as stated above in “Our Management” and “Financial Statements as Restated” beginning on pages 97 and 110 respectively of this Letter of Offer, there has been no amount or benefit paid or given during the preceding 2 (two) years of filing Letter of Offer or intended to be paid or given to any Promoters or member of our Promoter Group and no consideration for payment of giving of the benefit.

## **MATERIAL GUARANTEES GIVEN TO THIRD PARTIES**

Except as stated in the “Financial Information” beginning on page 110 of this Letter of Offer, our Promoter has not given material guarantees to the third party(ies) with respect to the specified securities of our Company.

## **RELATIONSHIP OF OUR PROMOTERS WITH OUR DIRECTORS**

As on the date of the Letter of Offer, none of our Promoter(s) are related to any of our Company’s Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

**COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE PRECEDING THREE YEARS**

Except as stated below, as on the date of the Letter of Offer, none of our Promoter(s) have disassociated with any Companies in the preceding three years.

| S.No. | Promoter          | Name of entity from which disassociated                            | Date of Disassociation | Reason / circumstances and terms of disassociation |
|-------|-------------------|--|------------------------|--|
| 1.    | Mr. Vishesh Gupta | Teamo Products HQ Limited formerly known as GI Engineering Limited | 16/05/2023             | Resignation due to other professional commitments  |

**OUR PROMOTER GROUP**

**Our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 is as under:**

|                               |                          |
|-------------------------------|--------------------------|
| <b>Name of the Promoter</b>   | <b>Mr. Vishesh Gupta</b> |
| <b>Relation with Promoter</b> | <b>Name of Relatives</b> |
| Father                        | Mr. Pramod Gupta         |
| Mother                        | Mrs. Uma Gupta           |
| Spouse                        | Mrs. Kriti Gupta         |
| Brother(s)                    | Mr. Sarthak Gupta        |
| Sister(s)                     | Mr. Shruti Gupta         |
| Son(s)                        | Mr. Viraj Gupta          |
| Daughter(s)                   | None                     |
| Spouse's Father               | Mr. Vinod Gupta          |
| Spouse's Mother               | Mrs. Rekha Gupta         |
| Spouse's Brother(s)           | Mr. Ankur Gupta          |
| Spouse's Sister(s)            | None                     |

## RELATED PARTY TRANSACTIONS

For details of the related party transactions, during the last three Fiscals, as per the requirements under Ind AS 24 read with SEBI ICDR Regulations and as reported in the Restated Financial Statements, see section titled "**Financial Information**" at page 1100 of this Letter of Offer. For details of the related party transactions, during the nine months period ended December 31, 2023, as per the requirements under the Ind AS 24 and as reported in the Interim Condensed Consolidated Financial Statements, see section titled "**Financial Information**" at page 1100 of this Letter of Offer.

## **DIVIDEND POLICY**

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited, consolidated net operating profit after tax, working capital requirements, capital expenditure requirements, cash flow required to meet contingencies, outstanding borrowings, and applicable taxes payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

We have not declared any dividend in the previous three (3) financial years immediately preceding this issue.



**SECTION V – FINANCIAL INFORMATION**  
**FINANCIAL STATEMENTS**

| <b>S. No.</b> | <b>Particulars</b>               | <b>Page No.</b> |
|---------------|----------------------------------|-----------------|
| <b>1.</b>     | Consolidated Restated Financials | 115             |
| <b>2.</b>     | Restated Standalone Financials   | 144             |
| <b>3.</b>     | Statement of Capitalisation      | 170             |



Independent Auditors' Report on the Restated Consolidated Financial Information of assets and liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Consolidated Statement of profits and losses (including other comprehensive income), Restated Consolidated statement of cash flows and changes in equity for the period ended December 31, 2023 and each of the years ended March 31, 2023, March 31, 2022 and March 31, 2021, the summary statement of Significant Accounting Policies, and other explanatory information of Integra Essentia Limited (collectively, the "Restated Consolidated Financial Information")

To  
**The Board of Directors**  
**Integra Essentia Limited.**

Dear Sirs:

We have examined the attached Restated Consolidated financial information of Integra Essentia Limited (the "Company") and its subsidiaries/ associates ( the company and its subsidiaries/ associates together referred to as the "Group") annexed to this report and prepared by the Company for the purpose of inclusion in the Letter of Offer in connection with its Right Issue. The Restated Summary Statements, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

- a) Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act");
- b) Relevant provisions of The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- c) The Guidance Note on Reports in Company Prospectuses (as amended) issued by the Institute of Chartered Accountants of India ("ICAI"), (the "Guidance Note")

#### **Management's Responsibility for the Restated Summary Statements**

The preparation of the Restated Consolidated financial information, which are to be included in the Offer documents is the responsibility of the Management of the Company. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated financial information. The Management is also responsible for identifying and ensuring that the Company complies with the ICDR Regulations.



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[Akbhargav.co@gmail.com](mailto:Akbhargav.co@gmail.com)  
M- 8860300686

### Auditors' Responsibilities

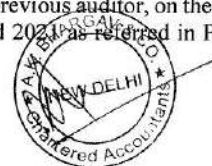
We have examined such Restated Consolidated financial information taking into consideration:

- a. The terms of reference and terms of our engagement agreed with you vide our engagement letter dated January 23, 2024, requesting us to carry out the assignment, in connection with the proposed Right Issue of the Company;
- b. The Guidance Note; The Guidance Note also requires that we comply with the ethical requirement of the Code of Ethics issued by the ICAI.
- c. Concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Unconsolidated Summary Statements; and
- d. The requirements of Section 26 of the Act and the ICDR Regulations;

Our work was performed solely to assist you in meeting your responsibilities in relation to your Compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed Right Issue.

### Restated Consolidated Financial Information as per audited Financial Statements

1. These Restated Consolidated Financial Information have been compiled by the management of the Company from:
  - a. Unaudited Consolidated financial statements of the Company as at and for the period ended December 31, 2023, which have been Limited Reviewed by us dated 23.01.2024 and which were prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as "Ind AS"), which have been approved by the Right Issue Committee at their meeting held on January 23, 2024;
  - b. Audited Consolidated financial statements of the Group as at and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021, which were prepared in accordance with Ind AS as prescribed under section 133 of the Act, read with relevant rules thereunder and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on April 27, 2023, April 28, 2022 and May 05, 2021 respectively; and
2. For the purpose of our examination, we have relied on:
  - Auditors' reports issued by us dated 27 April 2023 on the financial statements of the Group for the year ended March 31, 2023 as referred in Paragraph 4(a) above and
  - Auditor's Report dated April 28, 2022 and May 05, 2021 issued by the previous auditor, on the financial statements of the Group as at and for the years ended March 31, 2022 and 2021 as referred in Paragraph 4(a) above;



H. No. 103A, New Lahore Shastri Nagar, Street No. 4, (Behind Jain Mandir), New Delhi-110031  
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[Akbhargav.co@gmail.com](mailto:Akbhargav.co@gmail.com)  
M- 8860300686

3. Based on the above and according to the information and explanations given to us, we report that the Restated Consolidated financial information of the Group, as attached to this report read with basis of preparation and respective significant accounting policies have been prepared in accordance with the Act, ICDR Regulations, Guidance Note, and these Restated Consolidated financial information:

i. have been made after incorporating adjustments and regroupings for the material amounts in the respective financial year to which they relate;

ii. does not have any qualifications in the auditors' reports on the audited financial statements of the group as at March 31, 2023, March 31, 2022 and March 31, 2021 which require any adjustments to the Restated Consolidated Financial Information.

4.

a. The accompanying statement includes the unaudited interim financial results and other financial information, in respect of a associates M/s Brewtus Beverages Pvt Ltd, whose unaudited interim financial results include Profit After Tax of (4.41) Lakhs and other comprehensive income/(loss) of NIL Lakhs for the period ended 31<sup>st</sup> Dec 2023 respectively, as considered in the statement which have been reviewed by their respective independent auditor. Our conclusion on the statement, in so far as it relates to the amounts and disclosures in respect of the said subsidiary is based solely on report of such auditor.

b. The accompanying statement includes the unaudited interim financial results and other financial information, in respect of a associates R. K. Industries, whose unaudited interim financial results includes:

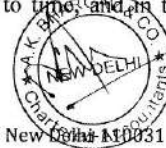
| Particulars                | 31.12.2023  | 31.03.2023 |
|----------------------------|-------------|------------|
| Profit After Tax           | 18.72 Lakhs | 6.20 Lakhs |
| Other Comprehensive Income | NIL         | NIL        |

5. The Restated Consolidated Financial Statement do not reflect the effects of events that occurred subsequent to the audited financial statements mentioned in paragraph 4 above.

6. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

7. We have no responsibility to update our report for events and circumstances occurring after the date of the report.



8. In our opinion, the above Restated Consolidated Financial Information contained in Annexure to this report read along with the Basis of Preparation and Significant Accounting policies after making adjustments and regrouping/re-classification as considered appropriate and have been prepared in accordance with the provisions of Section 26 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with you.



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[Alkbhargav.co@gmail.com](mailto:Alkbhargav.co@gmail.com)  
M- 8860300686

9. Our report is intended solely for use of the Board of Directors for inclusion in the Offer documents to be filed with recognized Stock Exchange in connection with the proposed Right Issue. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For A K Bhargav & Co.  
Chartered Accountants  
FRN: 034063N

  
  
CA ARUN KUMAR BHARGAV  
(Proprietor)  
M. No. 548396  
UDIN: 24548396BKAKHW6552

Place: New Delhi  
Date: 15.02.2024

H. No. 103A, New Lahore Shastri Nagar, Street No. 4, (Behind Jain Mandir), New Delhi-110031  
Email Id - [caarunbhargav17@gmail.com](mailto:caarunbhargav17@gmail.com)  
[Akbhargav.co@gmail.com](mailto:Akbhargav.co@gmail.com)  
M- 8860300686

## Annexure -I

**Integra Essentia Limited**  
(Formerly known as Integra Garments & Textiles Limited)  
CIN: L74110DL2007PLC396238

REGD OFF: 607, 6th Floor, Pearls Best Height -II, Netaji Subhash Place, North West Delhi, India, 110034  
Restated Consolidated Statement of Assets and Liabilities as at 31st December, 2023, March 31, 2023, March 31, 2022 and March 31, 2021

| Particulars   | Note No. | (Amount in Lakhs)         |                        |                        |                        |
|---|----------|---------------------------|------------------------|------------------------|------------------------|
|   |          | As at 31st December, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
| <b>I. ASSETS</b>  |          |                           |                        |                        |                        |
| <b>1) Non-Current Assets</b>                            |          |                           |                        |                        |                        |
| a) Property, Plant and Equipment                        | 2        | 3,871.04                  | 4,003.70               | 0.51                   | -                      |
| b) Other Intangible Assets                              | 2        | -                         | -                      | 0.15                   | -                      |
| <b>c) Financial Assets</b>                              |          |                           |                        |                        |                        |
| (i) Investments   | 3        | 2,027.12                  | 1,316.71               | -                      | -                      |
| (ii) Trade receivables                                  | 6        | -                         | -                      | -                      | -                      |
| (iii) Loans and Advances Long Term                      | 4        | 6,886.40                  | 5,976.89               | -                      | 9.78                   |
| (iv) Other Financial Assets                             | 4a       | -                         | 37.26                  | -                      | -                      |
| d) Deferred Tax Asset(Net)                              | 15       | -                         | -                      | 0.27                   | -                      |
| <b>Total Non-Current Assets</b>                         |          | <b>12,784.56</b>          | <b>11,334.82</b>       | <b>0.66</b>            | <b>9.78</b>            |
| <b>2) Current Assets</b>                                |          |                           |                        |                        |                        |
| <b>a) Financial Assets</b>                              |          |                           |                        |                        |                        |
| (i) Investments   | 5        | 568.40                    | 681.17                 | -                      | -                      |
| (ii) Trade Receivables                                  | 6        | 3,208.79                  | 1,034.79               | 769.70                 | -                      |
| (iii) Cash and Cash Equivalents                         | 7        | 372.27                    | 550.72                 | 38.72                  | 0.43                   |
| (iv) Bank Balances other than Cash and Cash Equivalents | 8        | 5.70                      | 5.70                   | 5.35                   | 5.35                   |
| (v) Loans and Advances                                  | 9        | 1,019.80                  | 2,287.40               | 0.35                   | -                      |
| (vi) Other Financial Assets                             | 10       | 1.30                      | 100.60                 | 0.60                   | 0.09                   |
| b) Other Current Assets                                 | 11       | 638.78                    | 101.40                 | 852.91                 | 0.05                   |
| <b>Total Current Assets</b>                             |          | <b>5,815.04</b>           | <b>4,761.79</b>        | <b>1,687.64</b>        | <b>5.92</b>            |
| <b>Total Assets</b>                                     |          | <b>18,599.60</b>          | <b>16,096.61</b>       | <b>1,688.30</b>        | <b>15.70</b>           |
| <b>II. EQUITY AND LIABILITIES</b>                       |          |                           |                        |                        |                        |
| <b>1) Equity</b>  |          |                           |                        |                        |                        |
| a) Equity Share Capital                                 | 12       | 4,570.33                  | 4,570.33               | 1,089.97               | 1,089.97               |
| b) Other Equity   | 13       | 6,662.63                  | 2,970.55               | (4,000.78)             | (4,109.61)             |
| <b>Total Equity</b>                                     |          | <b>11,232.96</b>          | <b>7,540.88</b>        | <b>(2,910.80)</b>      | <b>(3,019.64)</b>      |
| <b>LIABILITIES</b>                                      |          |                           |                        |                        |                        |
| <b>2) Non-Current Liabilities</b>                       |          |                           |                        |                        |                        |
| <b>a) Financial Liabilities</b>                         |          |                           |                        |                        |                        |
| (i) Borrowings  | 14       | 85.26                     | 2.50                   | 2.50                   | 2.50                   |
| b) Deferred Tax Liabilities(Net)                        | 15       | 0.91                      | -                      | 0.01                   | -                      |
| <b>Total Non-current Liabilities</b>                    |          | <b>86.17</b>              | <b>2.50</b>            | <b>2.51</b>            | <b>2.50</b>            |
| <b>3) Current Liabilities</b>                           |          |                           |                        |                        |                        |
| <b>a) Financial Liabilities</b>                         |          |                           |                        |                        |                        |
| (i) Borrowings  | 16       | 644.37                    | 3,445.60               | 2,872.03               | 2,859.30               |
| (ii) Trade Payables                                     | 17       | 2,294.46                  | 2,018.70               | 1,425.75               | -                      |
| Total outstanding dues of Micro & Small Enterprises     | 17       | 2,567.26                  | 389.55                 | 16.87                  | 2.13                   |
| (iii) Other financial liabilities                       | 18       | 2.39                      | 168.11                 | 163.57                 | 163.39                 |
| b) Other Current Liabilities                            | 19       | 1,456.43                  | 2,473.06               | 117.48                 | 8.02                   |
| c) Provisions   | 20       | 0.68                      | 0.90                   | 0.90                   | -                      |
| d) Current Tax Liabilities (Net)                        | 21       | 314.89                    | 57.30                  | -                      | -                      |
| <b>Total current Liabilities</b>                        |          | <b>7,280.48</b>           | <b>8,553.23</b>        | <b>4,596.60</b>        | <b>3,032.84</b>        |
| <b>Total Equity and Liabilities</b>                     |          | <b>18,599.60</b>          | <b>16,096.61</b>       | <b>1,688.30</b>        | <b>15.70</b>           |

The accompanying Notes 1 to 42 forms integral part of these Financial Statements

The company become operating partner in M/s R K Industries on August 05th 2022 and acquired 66% share in the said partnership firm and acquired 25.76 % interest of M/s Brevtus Beverages Private Limited on July 10th, 2023, accordingly then it becomes associates of M/s Integra Essentia Limited and financial figures of associates taken into consideration using equity method.

Appropriate regroupings have been made in the Restated Financial Information, wherever required, by reclassification of the corresponding terms of income, expense, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per latest financial statements of the Company for the nine months period ended 31st December 2023.

As per our report of even date attached.  
For A. K. Bhargav & Co.  
Chartered Accountants  
FRN : 034063N

(CA ARUN KUMAR BHARGAV)  
(Proprietor)  
Membership No. 548396  
UDIN : 24548396BKAKHW6552  
Place: Delhi  
Date : 15/02/2024



For & on behalf of the Board of Directors of Integra Essentia Limited

*Deepak*  
Deepak Kumar Gupta  
Director  
DIN: 00057003

*Arijit*  
Arijit Kumar Ojha  
Director  
DIN:10265020

*Pankaj*  
Pankaj Kumar Sharma  
Company Secretary  
PAN:GZFPS2953L

*Pankaj*  
Pankaj Sardana  
Chief Financial Officer  
PAN:ESEPS1629M

Annexure -II

**Integra Essentia Limited**  
(Formerly known as Integra Garments & Textiles Limited)  
CIN: L74110DL2007PLC396238

REGD OFF: 607, 6th Floor, Pearls Best Height -II, Netaji Subhash Place, North West Delhi, India, 110034  
Restated Consolidated Statement of Profit & Loss Account for the period ended 31st December, 2023, March 31, 2023, March 31, 2022 and March 31, 2021  
(Amount in Lakhs, Except no. of shares)

| Sr. No. | Particulars   | Note No. | As at 31st December, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|---------|---|----------|---------------------------|------------------------|------------------------|------------------------|
| 1       | Revenue from Operations   | 22       | 18,395.28                 | 24,141.41              | 6,852.54               | -                      |
| 2       | Other Income  | 23       | 1,201.74                  | 408.73                 | 8.28                   | 0.11                   |
| 3       | <b>Total Income (1+2)</b>   |          | <b>19,497.02</b>          | <b>24,550.15</b>       | <b>6,860.82</b>        | <b>0.41</b>            |
| 4       | <b>EXPENSES :</b>   |          |                           |                        |                        |                        |
| a.      | Cost of Materials Consumed  | 24       | -                         | -                      | -                      | 1.30                   |
| b.      | Purchases of Stock-in-Trade   | 25       | 17,716.56                 | 23,561.67              | 6,641.80               | -                      |
| c.      | Change in inventory of finished goods, work in progress and stock in trade        | 26       | -                         | -                      | -                      | -                      |
| d.      | Employee Benefits Expense   | 27       | 55.44                     | 49.53                  | 20.02                  | -                      |
| e.      | Finance Costs   | 28       | 42.35                     | 0.23                   | 4.57                   | 26.33                  |
| f.      | Depreciation and Amortisation Expense   | 2        | 276.01                    | 2.60                   | 0.12                   | 18.00                  |
| g.      | Other Expenses  | 29       | 155.84                    | 218.62                 | 85.46                  | 15.33                  |
|         | <b>Total Expenses</b>   |          | <b>18,248.20</b>          | <b>23,832.65</b>       | <b>6,751.98</b>        | <b>60.96</b>           |
| 5       | <b>Profit Before Exceptional Items and Tax (3-4)</b>                              |          | <b>1,248.82</b>           | <b>717.50</b>          | <b>108.84</b>          | <b>(60.55)</b>         |
| 6       | Exceptional Items   |          | (2.31)                    | -                      | -                      | -                      |
| 7       | <b>Share in profit / (Loss) of Associate</b>                                      |          | <b>14.31</b>              | <b>6.20</b>            | -                      | -                      |
| 8       | <b>Profit/ (Loss) Before Tax (5-6)</b>  |          | <b>1,265.44</b>           | <b>723.70</b>          | <b>108.84</b>          | <b>(60.55)</b>         |
|         | <b>Tax Expense/(Benefits):</b>  |          |                           |                        |                        |                        |
| i.      | Current Tax   | 31       | 314.89                    | 57.30                  | -                      | -                      |
| ii.     | Deferred Tax  | 15       | 1.18                      | (0.27)                 | 0.01                   | -                      |
|         | <b>Total Tax Expense (i+ii)</b>   |          | <b>316.07</b>             | <b>57.03</b>           | <b>0.01</b>            | <b>-</b>               |
| 9       | <b>Profit/ (Loss) from continuing operations (7-8)</b>                            |          | <b>949.38</b>             | <b>666.68</b>          | <b>108.83</b>          | <b>(60.55)</b>         |
| 10      | <b>Profit/ (Loss) from discontinuing operations</b>                               |          | -                         | -                      | -                      | -                      |
| 11      | <b>Tax Expenses from discontinuing operations</b>                                 |          | -                         | -                      | -                      | -                      |
| 12      | <b>Profit/ (Loss) from discontinuing operations (10-11)</b>                       |          | -                         | -                      | -                      | -                      |
| 13      | <b>Profit/ (Loss) for the period (9+12)</b>                                       |          | <b>949.38</b>             | <b>666.68</b>          | <b>108.83</b>          | <b>(60.55)</b>         |
| 14      | <b>Other Comprehensive Income :</b>   |          |                           |                        |                        |                        |
|         | A.) (i) Items that will not be reclassified to Profit and Loss                    |          | -                         | -                      | -                      | -                      |
|         | (ii) Income tax relating to items that will not be reclassified to profit or loss |          | -                         | -                      | -                      | -                      |
|         | B.) (i) Items that will be reclassified to profit and loss account                |          | -                         | -                      | -                      | -                      |
|         | (ii) Income tax relating to items that will be reclassified to profit or loss     |          | -                         | -                      | -                      | -                      |
| 15      | <b>Total Comprehensive Income for the period (13+14)</b>                          |          | <b>949.38</b>             | <b>666.68</b>          | <b>108.83</b>          | <b>(60.55)</b>         |
| 16      | <b>Earnings per Equity Share of Rs. 1 each, previously 3 each</b>                 |          |                           |                        |                        |                        |
|         | Basic   | 30       | 0.21                      | 0.15                   | 0.10                   | (0.17)                 |
|         | Diluted   | 30       | 0.21                      | 0.35                   | 0.10                   | (0.17)                 |

The accompanying Notes 1 to 42 forms integral part of these Financial Statements

The company become operating partner in M/s R K Industries on August 05th 2022 and acquired 66% share in the said partnership firm and acquired 25.76 % interest of M/s Brewtus Beverages Private Limited on July 10th, 2023, accordingly then it becomes associates of M/s Integra Essentia Limited and financial figures of associates taken into consideration using equity method.

Appropriate regroupings have been made in the Restated Financial Information, wherever required, by reclassification of the corresponding terms of income, expense, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per latest financial statements of the Company for the nine months period ended 31st December 2023.

As per our report of even date attached  
For A. K. Bhargava & Co.  
Chartered Accountants  
FRN : 034063N



(CA ARUN KUMAR BHARGAVA)  
(Proprietor)  
Membership No. 548396  
UDIN : 24548396BKAHW6552  
Place: Delhi  
Date : 15/02/2024

For & on behalf of the Board of Directors of Integra Essentia Limited

*Deepak*  
Deepak Kumar Gupta  
Director  
DIN: 00057003

*Arijit*  
Arijit Kumar Ojha  
Director  
DIN:10265020

*Pankaj*  
Pankaj Kumar Sharma  
Company Secretary  
PAN:GZFP52953L

*Pankaj Sardana*  
Pankaj Sardana  
Chief Financial Officer  
PAN:ESEPS1629M

## Annexure - III

**Integra Essentia Limited**  
(Formerly known as Integra Garments & Textiles Limited)  
CIN: L74110DL2007PLC396238  
REGD OFF: 607, 6th Floor, Pearls Best Height -II, Netaji Subhash Place, North West Delhi, India, 110034  
Restated Consolidated Statement of Cash Flows for the period ended 31st December, 2023, March 31, 2023, March 31, 2022 and March 31, 2021

| Particulars  | (Amount in Lakhs)         |                        |                        |                        |
|--|---------------------------|------------------------|------------------------|------------------------|
|  | As at 31st December, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
| <b>A. Cash Flow from Operating Activities</b>                  |                           |                        |                        |                        |
| Net Profit/(Loss) before Tax                                   | 1,265.44                  | 723.70                 | 108.84                 | (60.55)                |
| Adjustment for :   |                           |                        |                        |                        |
| Depreciation & Amortisation Expense                            | 278.01                    | 2.60                   | 0.12                   | 18.00                  |
| Interest Income  | (376.16)                  | (293.96)               | (0.35)                 | -                      |
| Interest Expense   | 42.35                     | 0.23                   | 4.57                   | 26.33                  |
| Adjustment of IndAS  | 22.74                     | (28.24)                | -                      | 0.89                   |
| Net unrealized foreign exchange (gain)                         | -                         | -                      | -                      | -                      |
| <b>Operating Profit before working Capital Changes :</b>       | <b>1,232.40</b>           | <b>404.32</b>          | <b>113.18</b>          | <b>(15.33)</b>         |
| <b>Movements in Working Capital :</b>                          |                           |                        |                        |                        |
| (Increase)/decrease in Other current Assets                    | (438.08)                  | 651.51                 | (853.22)               | (0.05)                 |
| (Increase)/decrease in Other Non Current Assets                | 37.26                     | (37.26)                | (0.51)                 | -                      |
| (Increase)/decrease in Trade Receivables                       | (2,173.99)                | (245.09)               | (779.92)               | -                      |
| (Increase)/decrease in Inventories                             | -                         | -                      | -                      | 0.41                   |
| Increase/(decrease) in Other current Liabilities               | (1,182.57)                | 2,360.12               | 110.54                 | 0.48                   |
| Increase/(decrease) in Trade payables                          | 2,453.46                  | 965.64                 | 1,440.49               | -                      |
| <b>Cash generated from Operations :</b>                        | <b>(71.53)</b>            | <b>4,099.25</b>        | <b>30.57</b>           | <b>(14.49)</b>         |
| Direct Taxes Paid  | -57.30                    | -                      | -                      | -                      |
| <b>Net Cash flow from/(used in) Operating Activities [A]</b>   | <b>(128.83)</b>           | <b>4,099.25</b>        | <b>30.57</b>           | <b>(14.49)</b>         |
| <b>B. Cash Flow from Investing Activities</b>                  |                           |                        |                        |                        |
| Purchase of property, plant and equipment including CVP        | (145.36)                  | (4,005.64)             | (0.78)                 | -                      |
| Proceeds from sale of property, plant and equipment            | -                         | -                      | -                      | -                      |
| (Increase)/decrease in Long term Loans & Advances              | (909.51)                  | (5,976.89)             | -                      | -                      |
| Movement in Investments  | (597.65)                  | (1,997.88)             | -                      | -                      |
| Movement in Loans  | 1,267.60                  | (2,287.05)             | -                      | -                      |
| Movement Bank Deposit not considered as cash & cash equivalent | -                         | (0.35)                 | -                      | -                      |
| Interest Received  | 376.16                    | 293.96                 | 0.35                   | -                      |
| <b>Net Cash flow from/(used in) Investing Activities [B]</b>   | <b>(8.75)</b>             | <b>(13,973.85)</b>     | <b>(0.43)</b>          | <b>-</b>               |
| <b>C. Cash Flow from Financing Activities</b>                  |                           |                        |                        |                        |
| Proceeds from/ (repayment of) Long term borrowings             | -                         | -                      | -                      | -                      |
| (Increase)/decrease in Financial Assets                        | -                         | -                      | -                      | -                      |
| Money received against Right Issue                             | -                         | 9,813.25               | -                      | -                      |
| Proceeds from/ (repayment of) in Short term borrowings         | (2,718.47)                | 573.57                 | 12.73                  | 14.30                  |
| Other Comprehensive Income                                     | 73.71                     | -                      | -                      | -                      |
| Capital Reserve  | 2,695.00                  | -                      | -                      | -                      |
| Right Issue Expenses   | (48.75)                   | -                      | -                      | -                      |
| Interest Paid  | (42.35)                   | (0.23)                 | (1.57)                 | (0.00)                 |
| <b>Net Cash flow from/(used) in Financing Activities [C]</b>   | <b>(40.87)</b>            | <b>10,386.60</b>       | <b>8.16</b>            | <b>14.30</b>           |
| Net Increase/Decrease in Cash & Cash Equivalents [A+B+C]       | (178.45)                  | 512.00                 | 38.29                  | (0.19)                 |
| Cash & Cash equivalents at the beginning of the year           | 550.72                    | 38.72                  | 0.43                   | 0.62                   |
| <b>Cash &amp; Cash equivalents at the end of the year</b>      | <b>372.27</b>             | <b>550.72</b>          | <b>38.72</b>           | <b>0.43</b>            |
| <b>Components of Cash and Cash Equivalents</b>                 | <b>372.27</b>             | <b>550.72</b>          | <b>38.72</b>           | <b>0.43</b>            |

As per our report of even date attached

Note 1 : The consolidated cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS 7) statement of cash flows

The company become operating partner in M/s R K Industries on August 05th' 2022 and acquired 66% share in the said partnership firm and acquired 25.76 % interest of M/s Brevitus Beverages Private Limited on July 10th, 2023, accordingly then it becomes associates of M/s Integra Essentia Limited and financial figures of associates taken into consideration using equity method.

For &amp; on behalf of the Board of Directors of Integra Essentia Limited

For A. K. Bhargav & Co.  
Chartered Accountants  
FRN : 034063N



(CA ARUN KUMAR BHARGAV)  
(Proprietor)  
Membership No. 548396  
UDIN : 24548396BKAKHW6552  
Place: Delhi  
Date : 15/02/2024

*Deepak*  
Deepak Kumar Gupta  
Director  
DIN: 00057003

*Arijit*  
Arijit Kumar Ojha  
Director  
DIN:10265020

*Pankaj*  
Pankaj Kumar Sharma  
Company Secretary  
PAN:GZFPS2953L

*Pankaj*  
Pankaj Sardana  
Chief Financial Officer  
PAN:ESEP91629M



## Annexure - IV

**Integra Essentia Limited**  
(Formerly known as Integra Garments & Textiles Limited)  
CIN: L74110DL2007PLC396238

REGD OFF: 607, 6th Floor, Pearls Beat Height -II, Netaji Subhash Place, North West Delhi, India, 110034  
Restated Consolidated Statement of Changes in Equity for the period ended 31st December, 2023, March 31, 2023, March 31, 2022 & March 31, 2021

**A. Equity Share Capital****(1) Current Reporting Period 31st December, 2023**

(Rs. In Lakhs)

| Balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|---|--|
| 4,570.33   |   | 4,570.33   |

**(2) Reporting Period 31st March, 2023**

(Rs. In Lakhs)

| Balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|---|--|
| 1,089.97   | 3,480.36  | 4,570.33   |

**(3) Reporting Period 31st March, 2022**

(Rs. In Lakhs)

| Balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|---|--|
| 1,089.97   |   | 1,089.97   |

**(4) Reporting Period 31st March, 2021**

(Rs. In Lakhs)

| Balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|---|--|
| 1,089.97   |   | 1,089.97   |

**B. Other Equity****(1) Current Reporting Period 31st December, 2023**

(Rs. In Lakhs)

|  | Reserves and Surplus |                                  |                   | Total    |
|--|----------------------|----------------------------------|-------------------|----------|
|  | Securities Premium   | Other Reserves (General Reserve) | Retained Earnings |          |
| Balance at the beginning of the current reporting period | 6,332.90             | 151.25                           | (3,513.59)        | 2,970.55 |
| Additions during the Year                                | -                    | -                                | 949.38            | 949.38   |
| Total Comprehensive Income for the current year          | -                    | -                                | -                 | -        |
| Dividends  | -                    | -                                | -                 | -        |
| Right Issue Expenses                                     | (48.75)              | -                                | -                 | (48.75)  |
| Discounting for Financial Asset                          | -                    | -                                | 22.74             | 22.74    |
| Balance at the end of the current reporting period       | 6,284.15             | 151.25                           | (2,541.47)        | 3,893.92 |

**(2) Previous Reporting Period 31st March, 2023**

(Rs. In Lakhs)

|  | Reserves and Surplus |                                  |                   | Total      |
|--|----------------------|----------------------------------|-------------------|------------|
|  | Securities Premium   | Other Reserves (General Reserve) | Retained Earnings |            |
| Balance at the beginning of the current reporting period |                      | 151.25                           | (4,180.27)        | (4,029.02) |
| Additions during the Year                                | 6,332.90             | -                                | -                 | 6,332.90   |
| Total Comprehensive Income for the current year          | -                    | -                                | 666.68            | 666.68     |
| Balance at the end of the current reporting period       | 6,332.90             | 151.25                           | (3,513.59)        | 2,970.55   |

**(3) Reporting Period 31st March, 2022**

(Rs. In Lakhs)

|  | Reserves and Surplus |                                  |                   | Total      |
|--|----------------------|----------------------------------|-------------------|------------|
|  | Securities Premium   | Other Reserves (General Reserve) | Retained Earnings |            |
| Balance at the beginning of the current reporting period |                      | 151.25                           | (4,260.86)        | (4,109.61) |
| Total Comprehensive Income for the current year          | -                    | -                                | 108.83            | 108.83     |
| Balance at the end of the current reporting period       |                      | 151.25                           | (4,152.02)        | (4,000.78) |

**(4) Reporting Period 31st March, 2021**

(Rs. In Lakhs)

|  | Reserves and Surplus |                                  |                   | Total      |
|--|----------------------|----------------------------------|-------------------|------------|
|  | Securities Premium   | Other Reserves (General Reserve) | Retained Earnings |            |
| Balance at the beginning of the current reporting period |                      | 151.25                           | (4,200.31)        | (4,049.06) |
| Total Comprehensive Income for the current year          | -                    | -                                | (60.55)           | (60.55)    |
| Balance at the end of the current reporting period       |                      | 151.25                           | (4,260.86)        | (4,109.61) |



**Annexure VI: STATEMENT OF CAPITALISATION**  
**(All amounts in Indian Rupees in Lakhs, unless otherwise stated)**

| <b>Particulars</b>                       | <b>Pre Issue<br/>31.12.2023</b> | <b>Post<br/>Issue</b> |
|--|---------------------------------|-----------------------|
| <b>Debt</b>                              |                                 |                       |
| Short Term Debt                          | 644.37                          | [•]                   |
| Long Term Debt                           | 85.26                           | [•]                   |
| <b>Total Debt</b>                        | <b>729.63</b>                   | <b>[•]</b>            |
| <b>Shareholders' Fund (Equity)</b>       |                                 |                       |
| Share Capital                            | 4,570.33                        | [•]                   |
| Reserves & Surplus                       | 6,662.63                        | [•]                   |
| <b>Total Shareholders' Fund (Equity)</b> | <b>11,232.96</b>                | <b>[•]</b>            |
| Long Term Debt/Equity                    | 0.01                            | [•]                   |
| <b>Total Debt/Equity</b>                 | <b>0.06</b>                     | <b>[•]</b>            |

**Notes:**

1. Short term Debts represent which are expected to be paid/payable within 12 months
2. Long term Debts represent debts other than Short term Debts as defined above
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.12.2023.



Deepak  
  
  
 Parag Sandhu

Annexure-V

Integra Essentia Limited

CIN: L74110DL2007PLC396238

REGD OFF: 607, 6th Floor, Pearls Best Height -II, Netaji Subhash Place, North West Delhi, India, 110034

Statement of Restatement Adjustments to Consolidated Financial Statements for the nine months ended December 31, 2023 and years ended March 31, 2023, March 31, 2022 & March 31, 2021

**PART A: Statement of Restatement Adjustments to Audited Financial Statements**

**Reconciliation between Audited Total Comprehensive Income and Restated Total Comprehensive Income**

(Amount in Lakhs)

| Particulars                                | As at 31st December, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|------------------------|------------------------|------------------------|
| Audited total Comprehensive Income         | 949.38                    | 666.68                 | 108.83                 | -60.55                 |
| <b>Restated Adjustments:</b>               | -                         | -                      | -                      | -                      |
| <b>Restated total comprehensive income</b> | <b>949.38</b>             | <b>666.68</b>          | <b>108.83</b>          | <b>-60.55</b>          |

**Reconciliation between Audited Shareholder's Funds and Restated Shareholder's Funds**

(Amount in Lakhs) (Amount in Lakhs)

| Particulars                  | As at 31st December, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|------------------------------|---------------------------|------------------------|------------------------|------------------------|
| Audited Shareholder's Funds  | 11,232.96                 | 7,540.88               | -2,910.80              | -3,019.64              |
| <b>Restated Adjustments:</b> | -                         | -                      | -                      | -                      |
| <b>Restated Equity</b>       | <b>11,232.96</b>          | <b>7,540.88</b>        | <b>-2,910.80</b>       | <b>-3,019.64</b>       |

**PART B: Regrouping**

Appropriate regroupings have been made in the Restated Financial Information, wherever required, by reclassification of the corresponding terms of Income, expense, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per latest financial statements of the Company for the nine months period ended 31st December 2023



Deepak

*[Handwritten signature]*

*[Handwritten signature]*  
Ranjay Sarwan

**Integra Essentia Limited**

**Restated Notes forming part of Ind AS Consolidated Financial Statements for the period and year ended December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021**

**Company Overview**

Integra Essentia Limited ("the Company") is a public limited company, incorporated and domiciled in India which mainly deals in trading of essential items like Cashew, Rice etc. The registered office of the Company is located at 607, 6th Floor, Pearls Best Height -II, Netaji Subhash Place, North West Delhi, India, 110034. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

**Note 1: Significant Accounting Policies**

**(a) Basis of Preparation of Financial Statements**

**(i) Statement of Compliance with Indian Accounting Standards (Ind AS)**

These financial statements comply, in all material respects, with Ind AS notified under section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act.

**(ii) Historical Cost Convention**

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- a) Certain financial assets and liabilities that are measured at fair value
- b) Derivative financial instruments

**(iii) Functional and Presentation Currency**

These financial statements are presented in Indian Rupees, which is also the functional currency of the

**(iv) Current and Non-current Classification**

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle (Twelve months) and other criteria set out in Schedule III to the Act.

**(b) Property, Plant and Equipment (PPE) and Depreciation**

All items of PPE are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non-refundable taxes and duties, directly attributable costs of bringing the asset to its present location and condition and initial estimate of costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the carrying amount of PPE or recognised as a separate PPE, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Machinery spares and servicing equipment are recognised as PPE when they meet the definition of PPE. Otherwise, such items are classified as inventory.

Capital work-in-progress includes cost of PPE under installation / under development as at the Balance Sheet date.

The Company depreciates its PPE over the useful life in the manner prescribed under Part C of Schedule II to the Act. Depreciation commences when the assets are ready for their intended use and is computed on pro-rata basis from the date of installation/acquisition till the date of sale/disposal. Management believes that useful life of assets are same as those prescribed in Schedule II to the Act, except for machinery spares wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II of the Act

| Assets                 | Useful Life |
|------------------------|-------------|
| Plant & Machinery      | 5           |
| Furniture and Fixtures | 10 years    |
| Office Equipments      | 3 years     |
| Computer               | 3 years     |

Lease hold PPE are amortised over the period of lease or useful life, whichever is lower. Leasehold land (under Finance Lease) is amortised over the period of lease.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount.

These are included in the Statement of Profit and Loss.

**(c) Intangible Assets and Amortisation**

Intangible assets that are acquired by the Company, which have finite useful lives are measured at cost less amortisation and impairment, if any. Historical cost includes expenditure that is directly

attributable to the acquisition of the items. Cost includes its purchase price including non-refundable taxes and duties, directly attributable costs of bringing the asset to its present location and condition. Intangible assets are amortised on straight line basis over the estimated useful life.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount.

These are included in the Statement of Profit and Loss.

**(d) Leases**

At inception of a contract, company shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Where the Company is Lessee**

At the inception, lessee shall recognise and measure Right-of-use asset and lease liability at cost. Right to use assets shall comprise initial measurement of lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee; and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Lease liability is the present value of the lease payments that are not paid. These lease payments shall be discounted using the interest rate implicit in the lease (if readily determined) otherwise should be discounted at lessee's incremental borrowing rate.

If the lease contract transfers ownership of the underlying asset, at the end of the lease term or if, the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, then depreciate the right-of-use asset over the useful life of the underlying asset. Otherwise, depreciate the right-of-use asset till the end of the useful life of the right-of-use asset or the end of the lease term, whichever is earlier.

The lease term as the non-cancellable period of a lease, together with both: (a) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and (b) periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

Subsequently, lessee shall measure the right-of-use asset applying a cost model.

**Where the Company is Lessor**

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight line basis over the term of the relevant lease

**(e) Borrowing Cost**

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. Other borrowing costs are expensed in the period in which they are incurred.



Handwritten signatures: Deepak, and another signature.

**(f) Financial Instruments**

**(i) Financial Assets**

**Initial Recognition and Measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent Measurement**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, as per Ind AS 109.

**a. Subsequent Measurement - Equity Instruments**

All equity investments other than investments in subsidiaries, joint ventures and associates are measured at fair value. Equity investments which are held for trading are classified as FVTPL. For all other equity investments, the Company decides to classify the same either at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

Investment in equity instruments of subsidiaries, joint ventures and associates are measured at cost.

**b. Subsequent Measurement - Debt Instruments**

A financial asset being debt instrument that meets the following 2 conditions is measured at amortised cost (net off any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

**Business Model Test:** the objective of the Company's model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

**Cash Flow Characteristics Test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following 2 conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

**Business Model Test:** the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets.

**Cash Flow Characteristics Test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different basis.

All other debt instruments are measured at fair value through profit or loss.

**Derecognition of Financial Assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset, to another entity.

**Impairment of Financial Assets**

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and FVTOCI.

For financial assets other than trade receivables, whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, considering historical trend, industry practices and the business environment in which the Company operates or any other appropriate basis.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

**(ii) Equity and Financial Liabilities**

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

**a. Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

**b. Financial Liabilities**

**Initial Recognition and Measurement**

Financial liabilities are initially recognised at fair value plus any transaction costs that are attributable to the acquisition of the financial liabilities, except for the financial liabilities at FVTPL which are initially measured at fair value.

**Subsequent Measurement**

The financial liabilities are classified for subsequent measurement either at amortised cost or at fair value through Profit and Loss (FVTPL).

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

**Derecognition of Financial Liabilities**

A financial liability is removed from the Balance Sheet when the obligation is discharged, or is cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

**(g) Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 — Inputs for the asset or liability that are not based on observable market data.

**(h) Inventories**

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The cost formula used for determination of cost is 'Weighted Average Cost'.

Machinery spares, stand-by equipment and servicing equipment are recognised as inventory when the useful life is less than one year and the same are charged to the Statement of Profit and Loss as and when issued for consumption.



Deeloh  
Kumar  
Sankaraj  
Sudhakar

**(i) Income Tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The Company's liability for current tax is calculated using the Indian tax rates and laws that have been enacted by the reporting date. The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and provisions where appropriate.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and current tax liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax (MAT) credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**(j) Provisions and Contingencies Provisions**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Contingent Liabilities and Contingent Assets**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Contingent assets are not recognised in the financial statements. If the inflow of economic benefits is probable, then it is disclosed in the financial statements.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

**(k) Employee Benefits**

**(i) Short-term Obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

**(ii) Post-employment Obligations**

The Company operates the following post-employment schemes:

- (a) Defined benefit plan (Gratuity), and
- (b) Defined contribution plans such as, provident fund.

**Defined Benefit Plan**

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually on the basis of actuarial valuation using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in employee benefits expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

**Defined Contribution Plans**

Defined Contribution Plans such as provident fund are charged to the Statement of Profit and Loss as an expense, when an employee renders the related services.

**(iii) Other Long-term Employee Benefits**

The liabilities for compensated absences that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have any unconditional right to defer settlement for at least 12 months after the end of the reporting period, regardless of when the actual settlement is expected to occur.

**(l) Cash and Cash Equivalents**

For the purpose of presentation in the Statement of Cash Flows as well as the Balance Sheet, cash and cash equivalents include cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(m) Earnings per Share (EPS)**

Basic earnings per share are computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net off any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

**(n) Dividend Distribution to Equity Shareholders**

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid. Dividend proposed by the Board of Directors, subject to the approval of shareholders, is disclosed in the notes to financial statements.

**(o) Foreign Currency Transactions**

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

**(p) Revenue Recognition**

Effective from 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115-

'Revenue from contracts with customers'. Revenue from contracts with customers is recognized on transfer of control of promised goods or services to the customer at amount that reflects the consideration to which the company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of products is satisfied at a point in time when material is shipped / delivered to the customer as may be specified in the contract.



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**Interest Income**

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable effective interest rate.

**Dividend Income**

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

**Income from Services**

Income from services is recognised (net of taxes as applicable) as they are rendered, based on agreement/ arrangement with the concerned customers.

**(g) Significant Accounting Estimates, Judgements and Assumptions:**

The preparation of the Company's financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the Company's accounting policies, Management has made the following judgements which have significant effect on the amounts recognised in the financial statements:

i. **Useful Lives of Property, Plant and Equipment:** Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalised. Useful life of tangible assets is based on the life specified in Schedule II of the Act and also as per Management estimate for certain category of assets. Assumption also needs to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the assets may be capitalised.

ii. **Fair Value Measurement of Financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/ judgements about these factors could affect the reported fair value of financial instruments.

iii. **Measurement of Defined Benefit Plan:** The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iv. **Impairment of Financial Assets:** Trade receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when Management deems them not collectable. Impairment is made on the expected credit loss model, which is the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

v. **Impairment of Non-financial Assets:** The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

vi. **Contingencies:** Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against the Company as it is not possible to predict the outcome of pending matters with accuracy.



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**NOTE NO. 2**

**Property, Plant & Equipment as on 31st December, 2023**

| Particulars                            | Gross Block         |                           |                             |                           | Depreciation        |                     |                           |                           | Net Block                 |                                    |
|--|---------------------|---------------------------|-----------------------------|---------------------------|---------------------|---------------------|---------------------------|---------------------------|---------------------------|------------------------------------|
|  | As at April 1, 2023 | Additions during the year | Deletions during the year * | As at 31st December, 2023 | As at April 1, 2023 | Charge for the Year | Deduction during the year | As at 31st December, 2023 | As at 31st December, 2023 | As at 31 <sup>st</sup> March, 2023 |
| <b>Property Plant &amp; Equipments</b> |                     |                           |                             |                           |                     |                     |                           |                           |                           |                                    |
| Computer                               | 0.87                | 0.77                      | -                           | 1.64                      | 0.54                | 0.34                | -                         | 0.88                      | 0.76                      | 0.33                               |
| Furniture & Fixtures                   | 1.74                | -                         | -                           | 1.74                      | 0.36                | 0.27                | -                         | 0.64                      | 1.10                      | 1.38                               |
| Air Conditioner                        | 2.20                | -                         | -                           | 2.20                      | 0.85                | 0.47                | -                         | 1.32                      | 0.87                      | 1.35                               |
| HP Laserjet Printer                    | 0.17                | 0.69                      | -                           | 0.86                      | 0.08                | 0.31                | -                         | 0.39                      | 0.47                      | 0.10                               |
| Mobile Phone                           | 1.17                | 0.71                      | -                           | 1.88                      | 0.68                | 0.39                | -                         | 1.07                      | 0.81                      | 0.49                               |
| Tally Prime Silver                     | 0.15                | -                         | -                           | 0.15                      | 0.09                | 0.02                | -                         | 0.12                      | 0.03                      | 0.06                               |
| Land & building*                       | 3,000.00            | -                         | -                           | 3,000.00                  | -                   | 110.08              | -                         | 110.08                    | 2,889.92                  | 3,000.00                           |
| Plant & Machinery*                     | 1,000.00            | -                         | -                           | 1,000.00                  | -                   | 136.40              | -                         | 136.40                    | 863.60                    | 1,000.00                           |
| Vehicle                                | -                   | 143.20                    | -                           | 143.20                    | -                   | 29.73               | -                         | 29.73                     | 113.47                    | -                                  |
|  | <b>4,006.30</b>     | <b>145.36</b>             | <b>-</b>                    | <b>4,151.65</b>           | <b>2.60</b>         | <b>278.01</b>       | <b>-</b>                  | <b>280.61</b>             | <b>3,871.04</b>           | <b>4,003.70</b>                    |

**Property, Plant & Equipment as on March 31, 2023**

| Particulars                            | Gross Block         |                           |                             |                       | Depreciation        |                     |                           |                       | Net Block             |                                    |
|--|---------------------|---------------------------|-----------------------------|-----------------------|---------------------|---------------------|---------------------------|-----------------------|-----------------------|------------------------------------|
|  | As at April 1, 2022 | Additions during the year | Deletions during the year * | As at 31st March 2023 | As at April 1, 2022 | Charge for the Year | Deduction during the year | As at 31st March 2023 | As at 31st March 2023 | As at 31 <sup>st</sup> March, 2022 |
| <b>Property Plant &amp; Equipments</b> |                     |                           |                             |                       |                     |                     |                           |                       |                       |                                    |
| Computer                               | 0.51                | 0.36                      | -                           | 0.87                  | -                   | 0.54                | -                         | 0.54                  | 0.33                  | 0.51                               |
| Furniture & Fixtures                   | -                   | 1.74                      | -                           | 1.74                  | -                   | 0.36                | -                         | 0.36                  | 1.38                  | -                                  |
| Air Conditioner                        | -                   | 2.20                      | -                           | 2.20                  | -                   | 0.85                | -                         | 0.85                  | 1.35                  | -                                  |
| HP Laserjet Printer                    | -                   | 0.17                      | -                           | 0.17                  | -                   | 0.08                | -                         | 0.08                  | 0.10                  | -                                  |
| Mobile Phone                           | -                   | 1.17                      | -                           | 1.17                  | -                   | 0.68                | -                         | 0.68                  | 0.49                  | -                                  |
| Tally Prime Silver                     | 0.15                | -                         | -                           | 0.15                  | -                   | 0.09                | -                         | 0.09                  | 0.06                  | 0.15                               |
| Land & building*                       | -                   | 3,000.00                  | -                           | 3,000.00              | -                   | -                   | -                         | -                     | 3,000.00              | -                                  |
| Plant & Machinery*                     | -                   | 1,000.00                  | -                           | 1,000.00              | -                   | -                   | -                         | -                     | 1,000.00              | -                                  |
|  | <b>0.66</b>         | <b>4,005.64</b>           | <b>-</b>                    | <b>4,006.30</b>       | <b>-</b>            | <b>2.60</b>         | <b>-</b>                  | <b>2.60</b>           | <b>4,003.70</b>       | <b>0.66</b>                        |

\*Note: The Land & Building and Plant & Machinery purchased in Financial Year March -31, 2023, were put to use after the end of Financial Year, hence depreciation was not charged.

**Property, Plant & Equipment as on March 31, 2022**

| Particulars                            | Gross Block         |                           |                             |                       | Depreciation        |                           |                           |                       | Net Block                          |                                    |
|--|---------------------|---------------------------|-----------------------------|-----------------------|---------------------|---------------------------|---------------------------|-----------------------|------------------------------------|------------------------------------|
|  | As at April 1, 2021 | Additions during the year | Deletions during the year * | As at 31st March 2022 | As at April 1, 2021 | Additions during the year | Deduction during the year | As at 31st March 2022 | As at 31 <sup>st</sup> March, 2022 | As at 31 <sup>st</sup> March, 2021 |
| <b>Property Plant &amp; Equipments</b> |                     |                           |                             |                       |                     |                           |                           |                       |                                    |                                    |
| Computer                               | -                   | 0.60                      | -                           | 0.60                  | -                   | -                         | 0.09                      | 0.09                  | 0.51                               | -                                  |
| Intangible Assets                      | -                   | 0.18                      | -                           | 0.18                  | -                   | -                         | 0.03                      | 0.03                  | 0.15                               | -                                  |
|  |                     | <b>0.78</b>               | <b>-</b>                    | <b>0.78</b>           | <b>-</b>            | <b>-</b>                  | <b>0.12</b>               | <b>0.12</b>           | <b>0.66</b>                        | <b>-</b>                           |

**Property, Plant & Equipment as on March 31, 2021**

| Particulars                            | Gross Block         |                           |                             |                       | Depreciation        |                           |                           |                       | Net Block                          |                                    |
|--|---------------------|---------------------------|-----------------------------|-----------------------|---------------------|---------------------------|---------------------------|-----------------------|------------------------------------|------------------------------------|
|  | As at April 1, 2020 | Additions during the year | Deletions during the year * | As at 31st March 2021 | As at April 1, 2020 | Additions during the year | Deduction during the year | As at 31st March 2021 | As at 31 <sup>st</sup> March, 2021 | As at 31 <sup>st</sup> March, 2020 |
| <b>Property Plant &amp; Equipments</b> |                     |                           |                             |                       |                     |                           |                           |                       |                                    |                                    |
| Brand Computer                         | 2,400.00            | -                         | -                           | 2,400.00              | 2,382.00            | 18.00                     | -                         | 2,400.00              | -                                  | -                                  |
| Intangible Assets                      | -                   | -                         | -                           | -                     | -                   | -                         | -                         | -                     | -                                  | -                                  |
|  | <b>2,400.00</b>     | <b>-</b>                  | <b>-</b>                    | <b>2,400.00</b>       | <b>2,382.00</b>     | <b>18.00</b>              | <b>-</b>                  | <b>2,400.00</b>       | <b>-</b>                           | <b>-</b>                           |



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**NOTE NO. 3 Investments**

| Particulars          | [Rs in Lakhs]             |                       |                     |                     |
|----------------------|---------------------------|-----------------------|---------------------|---------------------|
|                      | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| Long Term Investment | 2,006.61                  | 1,310.51              | -                   | -                   |
|                      | 2,006.61                  | 1,310.51              | -                   | -                   |

Note: Investment in M/S Capital Infrastructure Ltd purchased from Nimbus Projects Ltd of 87,50,000 Zero % Non- Convertible Redeemable Preference Shares of Face Value of Rs 10 each (i.e., 62,50,000 Preference Shares at Rs 14.40 each redeemable on 23rd January 2025 at Rs 18.25 per share and 25,00,000 Preference Shares at Rs 12.00 each redeemable on 21st January 2025 at Rs 18.65)

**NOTE NO. 4 Loans and Advances Long Term**

| Particulars                  | [Rs in Lakhs]             |                       |                       |                       |
|------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                              | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Loans and Advances Long Term | 6,889.40                  | 5,976.89              | 0.00                  | 0.00                  |
|                              | 6889.40                   | 5976.89               | 0.00                  | 0.00                  |

**NOTE NO. 4a Other Financial Assets Non-Current**

| Particulars                | [Rs in Lakhs]             |                       |                       |                       |
|----------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                            | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Security Deposit-Long Term | -                         | 37.26                 | 0.00                  | 0.00                  |
|                            | 0.00                      | 37.26                 | 0.00                  | 0.00                  |

**NOTE NO. 5 Investments**

| Particulars                                    | [Rs in Lakhs]             |                       |                     |                     |
|--|---------------------------|-----------------------|---------------------|---------------------|
|  | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| <b>Investments:</b>                            |                           |                       |                     |                     |
| -Investments in RK Industries                  | -                         | -                     | -                   | -                   |
| -Investments in P1 of Sarveshwar Foods Limited | 568.40                    | 681.17                | -                   | -                   |
|  | 568.40                    | 681.17                | -                   | -                   |

Note: The company became operating partner in M/s R K Industries on August 05th 2022 and acquired 56% share in the said partnership firm. The share of profit of partnership firm has been disclosed in Consolidated Financial Statements of Integra Essentia Ltd

**NOTE NO. 6 Trade Receivable**

| Particulars                                  | [Rs in Lakhs]             |                       |                     |                     |
|--|---------------------------|-----------------------|---------------------|---------------------|
|  | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| Trade Receivable considered good - Unsecured | 3208.79                   | 1034.79               | 789.70              | 0.78                |
|  | 3208.79                   | 1034.79               | 789.70              | 9.78                |

Trade receivables ageing schedule for the period ended as on 31st December, 2023:

| Particulars  | [Rs in Lakhs]      |                    |               |             |                  |                 |
|--|--------------------|--------------------|---------------|-------------|------------------|-----------------|
|  | Less than 6 months | 6 months to 1 year | 1 to 2 year   | 2 to 3 year | More than 3 year | Total           |
| i) Undisputed Trade Receivables-Considered Good                                  | 2,173.48           | 805.16             | 230.14        | -           | -                | 3,208.79        |
| ii) Undisputed Trade Receivables- which have significant increase in credit risk | -                  | -                  | -             | -           | -                | -               |
| iii) Undisputed Trade Receivables- credit impaired                               | -                  | -                  | -             | -           | -                | -               |
| iv) Disputed Trade Receivables-Considered Good                                   | -                  | -                  | -             | -           | -                | -               |
| v) Disputed Trade Receivables- which have significant increase in credit risk    | -                  | -                  | -             | -           | -                | -               |
| vi) Disputed Trade Receivables- credit impaired                                  | -                  | -                  | -             | -           | -                | -               |
| <b>Total</b>   | <b>2,173.48</b>    | <b>805.16</b>      | <b>230.14</b> | -           | -                | <b>3,208.79</b> |

Trade receivables ageing schedule for the period ended as on March 31, 2023:

| Particulars  | [Rs in Lakhs]      |                    |              |             |                  |                 |
|--|--------------------|--------------------|--------------|-------------|------------------|-----------------|
|  | Less than 6 months | 6 months to 1 year | 1 to 2 year  | 2 to 3 year | More than 3 year | Total           |
| i) Undisputed Trade Receivables-Considered Good                                  | 955.79             | 52.50              | 26.51        | -           | -                | 1,034.79        |
| ii) Undisputed Trade Receivables- which have significant increase in credit risk | -                  | -                  | -            | -           | -                | -               |
| iii) Undisputed Trade Receivables- credit impaired                               | -                  | -                  | -            | -           | -                | -               |
| iv) Disputed Trade Receivables-Considered Good                                   | -                  | -                  | -            | -           | -                | -               |
| v) Disputed Trade Receivables- which have significant increase in credit risk    | -                  | -                  | -            | -           | -                | -               |
| vi) Disputed Trade Receivables- credit impaired                                  | -                  | -                  | -            | -           | -                | -               |
| <b>Total</b>   | <b>955.79</b>      | <b>52.50</b>       | <b>26.51</b> | -           | -                | <b>1,034.79</b> |



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Trade receivables ageing schedule for the period ended as on March 31, 2022:

| Particulars   | Outstanding for following periods from due date of payment |                    |             |             |                  | Total         |
|---|--|--------------------|-------------|-------------|------------------|---------------|
|   | Less than 6 months   | 6 months to 1 year | 1 to 2 year | 2 to 3 year | More than 3 year |               |
| ii) Undisputed Trade Receivables-Considered Good                                  | 789.70   | -                  | -           | -           | -                | 789.70        |
| iii) Undisputed Trade Receivables- which have significant increase in credit risk | -  | -                  | -           | -           | -                | -             |
| iii) Undisputed Trade Receivables- credit impaired                                | -  | -                  | -           | -           | -                | -             |
| iv) Disputed Trade Receivables-Considered Good                                    | -  | -                  | -           | -           | -                | -             |
| v) Disputed Trade Receivables- which have significant increase in credit risk     | -  | -                  | -           | -           | -                | -             |
| vi) Disputed Trade Receivables- credit impaired                                   | -  | -                  | -           | -           | -                | -             |
| <b>Total</b>  | <b>789.70</b>  | <b>-</b>           | <b>-</b>    | <b>-</b>    | <b>-</b>         | <b>789.70</b> |

Trade receivables ageing schedule for the period ended as on March 31, 2021:

| Particulars   | Outstanding for following periods from due date of payment |                    |             |             |                  | Total       |
|---|--|--------------------|-------------|-------------|------------------|-------------|
|   | Less than 6 months   | 6 months to 1 year | 1 to 2 year | 2 to 3 year | More than 3 year |             |
| ii) Undisputed Trade Receivables-Considered Good                                  | -  | -                  | -           | -           | -                | -           |
| iii) Undisputed Trade Receivables- which have significant increase in credit risk | -  | -                  | -           | -           | 9.78             | 9.78        |
| iii) Undisputed Trade Receivables- credit impaired                                | -  | -                  | -           | -           | -                | -           |
| iv) Disputed Trade Receivables-Considered Good                                    | -  | -                  | -           | -           | -                | -           |
| v) Disputed Trade Receivables- which have significant increase in credit risk     | -  | -                  | -           | -           | -                | -           |
| vi) Disputed Trade Receivables- credit impaired                                   | -  | -                  | -           | -           | -                | -           |
| <b>Total</b>  | <b>-</b>   | <b>-</b>           | <b>-</b>    | <b>-</b>    | <b>9.78</b>      | <b>9.78</b> |

NOTE NO. 7 Cash & Cash Equivalents

| Particulars   | [Rs in Lakhs]             |                       |                     |                     |
|---------------|---------------------------|-----------------------|---------------------|---------------------|
|               | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| Cash in hand  | 1.51                      | 17.77                 | 17.18               | 0.33                |
| Bank Balances | 370.70                    | 530.95                | 21.54               | -                   |
| <b>Total</b>  | <b>372.21</b>             | <b>548.72</b>         | <b>38.72</b>        | <b>0.43</b>         |

NOTE NO. 8 Bank Balances other than Cash & Cash Equivalents

| Particulars                             | [Rs in Lakhs]             |                       |                     |                     |
|---|---------------------------|-----------------------|---------------------|---------------------|
|   | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| Margin Money with Banks (Fixed Deposit) | 5.70                      | 5.70                  | 5.33                | 5.35                |
| <b>Total</b>                            | <b>5.70</b>               | <b>5.70</b>           | <b>5.33</b>         | <b>5.35</b>         |

Notes: Note:- The company has preferred an appeal before the Honorable High Court Madras vide W.P No-430 of 2020, The case is under process as on the date

NOTE NO. 9 Loans and Advances

| Particulars      | [Rs in Lakhs]             |                       |                     |                     |
|------------------|---------------------------|-----------------------|---------------------|---------------------|
|                  | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| Loans & Advances | 1,019.80                  | 2,287.40              | 0.35                | -                   |
| <b>Total</b>     | <b>1,019.80</b>           | <b>2,287.40</b>       | <b>0.35</b>         | <b>-</b>            |

\*Rs 1050 Lakhs were invested in MBR Apparels Ltd for Joint Development and Construction of Project at Land Situated at village Ujwa admeasuring about 2.4 Acres, which was later on cancelled and hence regrouped as Loan.

\*Loans receivable includes Rs 410 Lakhs recoverable from M/s HK Continental Trade Ltd being Capital Advance towards the agreement for purchase of the Land situated at village Talwandi Rana Tehsil and Distt. Hissar, which was later on cancelled.

\*Loans receivable includes Rs 325 Lakhs recoverable from M/s Jindal Oil & Fats Ltd being Capital Advance towards the agreement for purchase of the Land and

Building situated at 9th Km Stone, Chaudighr Road, Talwandi, which was later on cancelled.

\*Out of Rs 8264.29 Lakhs, Rs 4791.88 Lakhs is given to Advik Capital Ltd, Rs 1185 Lakhs is given to SA Global Ltd. and Rs 500 Lakhs was given to Rohinoo Foods Ltd.

NOTE NO. 10 Other Financial Assets

| Particulars       | [Rs in Lakhs]             |                       |                     |                     |
|-------------------|---------------------------|-----------------------|---------------------|---------------------|
|                   | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| Security Deposits | 1.30                      | 100.60                | 0.60                | -                   |
| Advance Tax       | -                         | -                     | -                   | 0.09                |
| <b>Total</b>      | <b>1.30</b>               | <b>100.60</b>         | <b>0.60</b>         | <b>0.09</b>         |

Note: Out of Rs 100.60 Lakhs, Rs 99.76 Lakhs is the Security towards Right Issue.

NOTE NO. 11 Other Current Assets

| Particulars                         | [Rs in Lakhs]             |                       |                     |                     |
|-------------------------------------|---------------------------|-----------------------|---------------------|---------------------|
|                                     | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| Balance with Government Authorities | 240.01                    | 90.79                 | -                   | -                   |
| Advances to Supplier                | 398.17                    | 4.61                  | 836.07              | -                   |
| Other Advances Recoverables         | -                         | -                     | 16.24               | -                   |
| Other Financial Assets              | -                         | -                     | -                   | 0.05                |
| <b>Total</b>                        | <b>638.18</b>             | <b>101.40</b>         | <b>852.31</b>       | <b>0.05</b>         |

NOTE NO. 12 Equity Share Capital

| PARTICULARS   | [Rs in Lakhs]             |                       |                     |                     |
|---|---------------------------|-----------------------|---------------------|---------------------|
|   | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| <b>Share Capital Authorized</b>   |                           |                       |                     |                     |
| 1,25,00,000,00 Equity shares of Rs. 1 each (Previous year 60,00,000,00 Equity shares of Rs 1 Each)        | 12,500.00                 | 6,000.00              | 4,100.00            | 1,200.00            |
| <b>Issued, Subscribed and Paid up</b>   |                           |                       |                     |                     |
| 10,89,97,047 Fully paid equity shares of Rs 1 Each (Previous year 3,63,32,349 Equity shares of Rs 3 each) | 1,089.97                  | 1,089.97              | 1,089.97            | 1,089.97            |
| 34,80,35,956 Fully paid equity shares of Rs 1 Each  | 3,480.36                  | 3,480.36              | -                   | -                   |
| <b>Total</b>  | <b>4,570.33</b>           | <b>4,570.33</b>       | <b>1,089.97</b>     | <b>1,089.97</b>     |



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**Reconciliation of number of Ordinary (Equity) Shares and amount outstanding:**

| Particulars                             | As at 31st December, 2023 |          | As at 31st March 2023 |          | As at 31st Mar 2022 |          | As at 31st Mar 2021 |        |
|---|---------------------------|----------|-----------------------|----------|---------------------|----------|---------------------|--------|
|   | No. of Shares             | Amount   | No. of Shares         | Amount   | No. of Shares       | Amount   | No. of Shares       | Amount |
| Equity Share:                           |                           |          |                       |          |                     |          |                     |        |
| Balance as at the beginning of the year | 45,70,33,003              | 4,570.33 | 10,89,97,047          | 1,089.97 | 10,89,97,047        | 1,089.97 | 3,63,32,349         | 363.32 |
| Add: Issued during the year for Cash    |                           |          | 34,80,35,956          | 3,480.36 | -                   | -        | -                   | -      |
| Add: Issued during the year as Bonus    |                           |          |                       |          |                     |          |                     |        |
| Balance as at the end of the year       | 45,70,33,003              | 4,570.33 | 45,70,33,003          | 4,570.33 | 10,89,97,047        | 1,089.97 | 3,63,32,349         | 363.32 |

Note: The Company has received proceeds of Right issue in year ended March 2023, wherein fully paid 27,66,84,812 equity shares of Rs. 1/- each at a premium of Rs. 0.80/- per share and 7,19,51,144 equity shares of Rs 1/- each at a premium of Rs 6/- per share, allotted on Rights basis to the eligible shareholders, in its Bank Account. The company has deployed these funds as per the objects of Right Issue.

**Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company**

| Name of Shareholder                                   | As at 31st December, 2023 |               | As at 31st March 2023 |               | As at 31st Mar 2022 |               | As at 31st Mar 2021 |               |
|---|---------------------------|---------------|-----------------------|---------------|---------------------|---------------|---------------------|---------------|
|   | No. of Shares             | % of Holding  | No. of Shares         | % of Holding  | No. of Shares       | % of Holding  | No. of Shares       | % of Holding  |
| Vishesh Gupta   | 9,51,22,846               | 20.81%        | 9,51,22,846           | 20.81%        | 6,92,72,445         | 63.55%        | -                   | 0.00%         |
| Just Right Life Limited                               | -                         | 0.00%         | 2,56,89,619           | 5.62%         | -                   | 0.00%         | -                   | 0.00%         |
| Ashok Piramal Group Textile Trust Through Its Trustee | -                         | 0.00%         | -                     | 0.00%         | -                   | 0.00%         | 2,14,74,112         | 59.10%        |
| <b>Total</b>  | <b>9,51,22,846</b>        | <b>20.81%</b> | <b>12,08,12,465</b>   | <b>26.43%</b> | <b>6,92,72,445</b>  | <b>63.55%</b> | <b>2,14,74,112</b>  | <b>59.10%</b> |

**Disclosure of Shareholding of Promoter**

| Name of Promoter                                      | As at 31st December, 2023 |               | As at 31st March 2023 |               | As at 31st Mar 2022 |               | As at 31st Mar 2021 |               |
|---|---------------------------|---------------|-----------------------|---------------|---------------------|---------------|---------------------|---------------|
|   | No. of Shares             | % of Holding  | No. of Shares         | % of Holding  | No. of Shares       | % of Holding  | No. of Shares       | % of Holding  |
| Vishesh Gupta   | 9,51,22,846               | 20.81%        | 9,51,22,846           | 20.81%        | 6,92,72,445         | 63.55%        | -                   | 0.00%         |
| Ashok Piramal Group Textile Trust Through Its Trustee | -                         | 0.00%         | -                     | 0.00%         | -                   | 0.00%         | 2,14,74,112         | 59.10%        |
| <b>Total</b>  | <b>9,51,22,846</b>        | <b>20.81%</b> | <b>9,51,22,846</b>    | <b>20.81%</b> | <b>6,92,72,445</b>  | <b>63.55%</b> | <b>2,14,74,112</b>  | <b>59.10%</b> |

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**NOTE NO. 12A Utilisation of Right Issue Proceeds**

**Right Issue 1:**

During the Financial year Ended March 31, 2023, The Company has brought first Right Issue on 20th June, 2022, wherein fully paid 27,66,84,812 equity shares of Rs. 1/- each at a premium of Rs. 0.80/- per share allotted on Rights basis to the eligible shareholders. The company has deployed these funds as per the objects of Right Issue.

A. Proceeds from subscription to the Issue of Equity shares under Rights Issue 1 of 2022-23, made during the year ended March 31, 2023 have been utilised in the following manner:

| Objects Right Issue |  |                 |                   |         |
|---------------------|--|-----------------|-------------------|---------|
| (In Lakhs)          |  |                 |                   |         |
| S.No.               | Particulars                              | Amounts         | Objects Fulfilled | Balance |
| 1                   | Meeting Working Capital Requirements     | 3,615.00        | 3,615.00          | -       |
| 2                   | General corporate purposes               | 1,230.00        | 1,230.00          | -       |
| 3                   | Issue related expenses                   | 135.33          | 135.33            | -       |
|                     | <b>Total</b>                             | <b>4,980.33</b> | <b>4,980.33</b>   | -       |
|                     | Less: Non Receipts of Call Money         | -               | -                 | -       |
|                     | <b>Net Proceeds from the Right Issue</b> | <b>4,980.33</b> | <b>4,980.33</b>   | -       |

**Right Issue 2:**

During the Financial year Ended March 31, 2023, The Company has brought its second Right Issue on 20th December, 2022, wherein fully paid 7,13,51,144 equity shares of Rs 1/- each at a premium of Rs 6/- per share, allotted on Rights basis to the eligible shareholders. The company has deployed these funds as per the objects of Right Issue.

A. Proceeds from subscription to the Issue of Equity shares under Rights Issue 2 of 2022-23, made during the year ended March 31, 2023 have been utilised in the following manner:

| Objects Right Issue |  |                 |                   |              |
|---------------------|--|-----------------|-------------------|--------------|
| (In Lakhs)          |  |                 |                   |              |
| S.No.               | Particulars                              | Amounts         | Objects Fulfilled | Balance      |
| 1                   | Meeting Working Capital Requirements     | 3,700.00        | 3,700.00          | -            |
| 2                   | General corporate purposes               | 1,234.58        | 1,234.58          | -            |
| 3                   | Issue related expenses                   | 60.00           | 26.32             | 33.68        |
|                     | <b>Total</b>                             | <b>4,994.58</b> | <b>4,960.90</b>   | <b>33.68</b> |
|                     | Less: Non Receipts of Call Money         | -               | -                 | -            |
|                     | <b>Net Proceeds from the Right Issue</b> | <b>4,994.58</b> | <b>4,960.90</b>   | <b>33.68</b> |

**Note:**

The Proceeds from both Right Issues during the year for the purpose of of meeting working capital requirements were utilized in working capital of the Company by payment to outstanding suppliers and advance payment to suppliers for purchase of goods.

During the year, the company had invested the money out of internal accruals which are temporary in nature and management estimates and plans to liquidate the investments and utilize the amount in working capital as and when required.



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**NOTE NO. 13 Other Equity**

| Particulars  | [Rs in Lakhs]             |                       |                       |                       |
|--|---------------------------|-----------------------|-----------------------|-----------------------|
|  | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| <b>a) General Reserve</b>  |                           |                       |                       |                       |
| Opening Balance  | 151.25                    | 151.25                | 151.25                | 151.25                |
| Additions during the period                                      | -                         | -                     | -                     | -                     |
| Closing Balance  | <b>151.25</b>             | <b>151.25</b>         | <b>151.25</b>         | <b>151.25</b>         |
| <b>b) Profit &amp; Loss Account</b>                              |                           |                       |                       |                       |
| Opening balance  | (3,513.59)                | (4,152.02)            | (4,260.86)            | (4,200.31)            |
| Profit/(Loss) for the year                                       | 949.38                    | 666.68                | 108.83                | (60.55)               |
| Discounting for Financial Asset                                  | 22.74                     | (28.24)               | -                     | -                     |
| Closing Balance  | <b>(2,541.47)</b>         | <b>(3,513.59)</b>     | <b>(4,152.02)</b>     | <b>(4,260.86)</b>     |
| <b>b) Security Premium</b>                                       |                           |                       |                       |                       |
| Opening balance  | 6,332.90                  | -                     | -                     | -                     |
| Additions during the period on account of issue of equity shares | -                         | 6,494.55              | -                     | -                     |
| Redemption of Debenture  | -                         | -                     | -                     | -                     |
| Right issue Expenses   | 48.75                     | 161.65                | -                     | -                     |
| Closing Balance  | <b>6,284.15</b>           | <b>6,332.90</b>       | <b>-</b>              | <b>-</b>              |
| <b>d) Other Comprehensive Income</b>                             |                           |                       |                       |                       |
| Opening balance  | -                         | -                     | -                     | -                     |
| Additions during the period on account of issue of equity shares | 73.71                     | -                     | -                     | -                     |
| Closing Balance  | <b>73.71</b>              | <b>-</b>              | <b>-</b>              | <b>-</b>              |
| <b>e) Capital Reserve</b>  |                           |                       |                       |                       |
| Opening balance  | -                         | -                     | -                     | -                     |
| Additions during the period on account of issue of equity shares | 2,695.00                  | -                     | -                     | -                     |
| Closing Balance  | <b>2,695.00</b>           | <b>-</b>              | <b>-</b>              | <b>-</b>              |
| <b>Total Other Equity</b>  | <b>6,662.63</b>           | <b>2,970.55</b>       | <b>(4,000.78)</b>     | <b>(4,109.61)</b>     |

**Nature and Purpose of Reserve**

**a) General Reserve**

General Reserve has been created on account of the Scheme of Amalgamation.

**b) Profit and loss account**

Profit and loss account are the losses which company incurred till date.

**c) Security Premium**

Security Premium is the amount received over and above the Face Value of the Shares Issued.



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**NOTE NO. 14 Borrowings**

[Rs in Lakhs]

| Particulars   | [Rs in Lakhs]                |                          |                          |                          |
|---|------------------------------|--------------------------|--------------------------|--------------------------|
|   | As at 31st<br>December, 2023 | As at 31st<br>March 2023 | As at 31st<br>March 2022 | As at 31st<br>March 2021 |
| <b>Vehicle Loan</b>   |                              |                          |                          |                          |
| <b>ICICI Bank</b>   | <b>82.76</b>                 | -                        | -                        | -                        |
| <b>Others</b>   |                              |                          |                          |                          |
| <b>Preference Shares</b>  |                              |                          |                          |                          |
| 1,00,000 (Previous year 1,00,000 ) 5% Redeemable cumulative Non convertible preference shares of ` 1 each | 1.00                         | 1.00                     | 1.00                     | 1.00                     |
| 1,50,000 (Previous year 1,50,000) 9% Redeemable cumulative Non convertible preference shares of ` 1 each  | 1.50                         | 1.50                     | 1.50                     | 1.50                     |
| <b>Total</b>  | <b>85.26</b>                 | <b>2.50</b>              | <b>2.50</b>              | <b>2.50</b>              |

| <b>Details of Preference Shares</b>  |             |             |             |             |
|--|-------------|-------------|-------------|-------------|
| <b>Authorised :</b>  |             |             |             |             |
| 5,00,000 (Previous year 5,00,000) Redeemable Cumulative Non Convertible Preference Shares of ` 1 each    | 5.00        | 5.00        | 5.00        | 5.00        |
|  | <b>5.00</b> | <b>5.00</b> | <b>5.00</b> | <b>5.00</b> |
| <b>Issued, subscribed and Paid-up:</b>   |             |             |             |             |
| 1,00,000 (Previous year 1,00,000) 5% Redeemable cumulative Non convertible preference shares of ` 1 each | 1.00        | 1.00        | 1.00        | 1.00        |
| 1,50,000 (Previous year 1,50,000) 9% Redeemable cumulative Non convertible preference shares of ` 1 each | 1.50        | 1.50        | 1.50        | 1.50        |
|  | <b>2.50</b> | <b>2.50</b> | <b>2.50</b> | <b>2.50</b> |

| <b>The Reconciliation of the number of Preference shares outstanding is given below:</b> |      |      |      |      |
|--|------|------|------|------|
| <b>Preference Shares</b>   |      |      |      |      |
| 5% Preference Shares at the beginning of the year  | 1.00 | 1.00 | 1.00 | 1.00 |
| 5% Preference Shares outstanding at the end of the year                                  | 1.00 | 1.00 | 1.00 | 1.00 |
| 9% Preference Shares at the beginning of the year  | 1.50 | 1.50 | 1.50 | 1.50 |
| 9% Preference Shares outstanding at the end of the year                                  | 1.50 | 1.50 | 1.50 | 1.50 |

| <b>Shareholders holding more than 5% Preference shares of the Company</b> |             |             |             |             |
|---|-------------|-------------|-------------|-------------|
| <b>Vishesh Gupta</b>  |             |             |             |             |
| Nos of Shares   | 2,50,000.00 | 2,50,000.00 | 2,50,000.00 |             |
| % age of holding  | 100.00      | 100.00      | 100.00      |             |
| <b>Urvi A Piramal</b>   |             |             |             |             |
| Nos of Shares   |             |             |             | 2,50,000.00 |
| % age of holding  |             |             |             | 100.00      |



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**NOTE NO. 15 Deferred Tax Assets/ Liabilities**

| Particulars   | [Rs in Lakhs]             |                       |                       |                       |
|---|---------------------------|-----------------------|-----------------------|-----------------------|
|   | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| WDV as per Companies Act, 2013 as on 31st March 2023  | 981.12                    | 3.70                  | 0.66                  | -                     |
| WDV as per Income Tax Act, 1961 as on 31st March 2023 | 977.52                    | 4.76                  | 0.64                  | -                     |
| Closing Balance                                       | 3.60                      | (1.07)                | 0.02                  | -                     |
| Deferred Tax Assets/Liability                         | 0.91                      | (0.27)                | 0.01                  | -                     |

**Reconciliation of Deferred Tax Assets/ Liabilities**

| Particulars   | As at 31st December, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|---|---------------------------|----------------------|----------------------|----------------------|
| Opening balance   | (0.27)                    | 0.01                 | -                    | -                    |
| Tax credit during the year recognised in Statement of profit and loss | 1.18                      | (0.27)               | 0.01                 | -                    |
| Closing Balance   | 0.91                      | (0.27)               | 0.01                 | -                    |

**NOTE NO. 16 Borrowings**

| Particulars   | [Rs in Lakhs]             |                       |                       |                       |
|---|---------------------------|-----------------------|-----------------------|-----------------------|
|   | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| <b>Other Loans</b>  |                           |                       |                       |                       |
| Unsecured Loans   |                           |                       |                       |                       |
| Financial Loans   | 11.83                     | -                     | -                     | -                     |
| Debentures  |                           | 2,845.00              | 2,845.00              | 2,845.00              |
| 2845 Unsecured, non convertible Redeemable Debenture of ₹100000/- each are Redeemable with 2% premium on 1 July, 2020 has been further renewed for 12 months and non Redeemable on 1 July, 2023 |                           |                       |                       |                       |
| Stated Corporate  | 633.84                    | 608.60                | 37.08                 | 14.30                 |
|   | 644.37                    | 3,445.60              | 2,872.03              | 2,859.30              |

The company in its board meeting held on 20th September 2023 considered and approved the redemption of debentures which were originally issued by the company on July 01, 2013 as per the offer negotiated with the NCDs holder for a Lump-sum payment of at Rs. 150 Lakh towards full and final settlement/redemption of the entire 2845 Debentures Unsecured, non-convertible Redeemable Debenture of Rs. 100 thousand each. The company has redeemed its debenture to the tune of Rs 2845 Lakh during the Quarter and Nine Month ended 31st December, 2023. Said redemption of debenture accrues sum of Rs 2695 Lakh Reserves which is included in the Other equity.

**NOTE NO. 17 Trade Payable**

| Particulars  | [Rs in Lakhs]             |                       |                       |                       |
|--|---------------------------|-----------------------|-----------------------|-----------------------|
|  | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Outstanding dues of micro enterprises and small enterprises                      | 2,294.46                  | 2,018.70              | 1,425.75              | -                     |
| Outstanding dues of creditors other than micro enterprises and small enterprises | 2,567.26                  | 389.55                | 16.87                 | 2.13                  |
|  | 4,861.72                  | 2,408.26              | 1,442.61              | 2.13                  |

Trade payables ageing schedule for the year ended as on 31st December, 2023, March 31, 2023 & March 31, 2022, March 31, 2021

| Particulars                     | Outstanding for following periods from due date of payment |             |             |                   | Total    |
|---------------------------------|--|-------------|-------------|-------------------|----------|
|                                 | Less than 1 year   | 1 to 2 year | 2 to 3 year | More than 3 years |          |
| <b>Outstanding dues to MSME</b> |  |             |             |                   |          |
| 31st December, 2023             | 2,294.46   | -           | -           | -                 | 2,294.46 |
| 31st March, 2023                | 2,018.70   | -           | -           | -                 | 2,018.70 |
| 31st March, 2022                | 1,425.75   | -           | -           | -                 | 1,425.75 |
| 31st March, 2021                | -  | -           | -           | -                 | -        |
| <b>Others</b>                   |  |             |             |                   |          |
| 31st December, 2023             | 2,567.26   | -           | -           | -                 | 2,567.26 |
| 31st March, 2023                | 389.55   | -           | -           | -                 | 389.55   |
| 31st March, 2022                | 16.87  | -           | -           | -                 | 16.87    |
| 31st March, 2021                | 2.13   | -           | -           | -                 | 2.13     |
| <b>Total trade payables</b>     |  |             |             |                   |          |
| 31st December, 2023             | 4,861.72   | -           | -           | -                 | 4,861.72 |
| 31st March, 2023                | 2,408.26   | -           | -           | -                 | 2,408.26 |
| 31st March, 2022                | 1,442.61   | -           | -           | -                 | 1,442.61 |
| 31st March, 2021                | 2.13   | -           | -           | -                 | 2.13     |

**NOTE NO. 18 Other Financial Liabilities**

| Particulars                          | [Rs in Lakhs]             |                       |                       |                       |
|--------------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                                      | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Interest Accrued but not due         | -                         | 165.85                | 161.50                | 163.39                |
| Dividend on preference share payable | 2.39                      | 2.25                  | 2.07                  | -                     |
|                                      | 2.39                      | 168.11                | 163.57                | 163.39                |

**NOTE NO. 19 Other Current Liabilities**

| Particulars               | [Rs in Lakhs]             |                       |                       |                       |
|---------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                           | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Statutory Liability       | 5.51                      | 36.40                 | 1.21                  | 0.10                  |
| Other current liabilities | -                         | -                     | 11.05                 | 7.93                  |
| Expenses Payable          | 6.35                      | 3.06                  | -                     | -                     |
| Advance From Customers    | 1,441.58                  | 2,433.60              | 105.22                | -                     |
|                           | 1,455.43                  | 2,473.06              | 117.48                | 8.02                  |

**NOTE NO. 20 Provisions**

| Particulars        | [Rs in Lakhs]             |                       |                       |                       |
|--------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                    | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Audit fees Payable | 0.68                      | 0.90                  | 0.90                  | -                     |
|                    | 0.68                      | 0.90                  | 0.90                  | -                     |

**NOTE NO. 21 Current Tax Liabilities (Net)**

| Particulars                   | [Rs in Lakhs]             |                       |                       |                       |
|-------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                               | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Provisions for Income Tax     | -                         | 57.30                 | -                     | -                     |
| Provisions for Income Tax CPT | 314.89                    | -                     | -                     | -                     |
|                               | 314.89                    | 57.30                 | -                     | -                     |



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**NOTE NO. 22 Revenue From Operation**

| Particulars             | [Rs in Lakhs]             |                       |                       |                       |
|-------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                         | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Revenue from operations | 18,395.28                 | 24,141.41             | 6,852.54              | -                     |
|                         | <b>18,395.28</b>          | <b>24,141.41</b>      | <b>6,852.54</b>       | -                     |

**NOTE NO. 23 Other Income**

| Particulars                    | [Rs in Lakhs]             |                       |                       |                       |
|--------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                                | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Interest on Loans and Advances | 376.16                    | 293.96                | 0.35                  | -                     |
| Balances written back          | -                         | -                     | 7.92                  | -                     |
| FACILITATION CHARGES           | 15.94                     | -                     | -                     | -                     |
| Lease Rent                     | 67.50                     | -                     | -                     | -                     |
| Rebates and discounts received | 26.82                     | 2.00                  | -                     | -                     |
| Unrealised Profit              | 448.63                    | 112.77                | -                     | -                     |
| Other Income                   | 166.69                    | -                     | -                     | 0.41                  |
|                                | <b>1,101.74</b>           | <b>408.73</b>         | <b>8.28</b>           | <b>0.41</b>           |

**NOTE NO. 24 Material Consumed**

| Particulars                     | [Rs in Lakhs]             |                       |                       |                       |
|---------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                                 | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Material Consumed - Fabric      |                           |                       |                       |                       |
| Opening Stock                   |                           |                       |                       |                       |
| Less : Devaluation of Inventory |                           |                       |                       | 1.30                  |
| Add: Purchase during the year   |                           |                       |                       |                       |
| Less: Closing Stock             |                           |                       |                       |                       |
|                                 | -                         | -                     | -                     | <b>1.30</b>           |

**NOTE NO. 25 Purchase of Stock in Trade**

| Particulars                | [Rs in Lakhs]             |                       |                       |                       |
|----------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                            | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Purchase of Stock in Trade | 17,714.09                 | 23,555.49             | 6,641.80              | -                     |
| Direct Expense             | 2.47                      | 6.18                  | -                     | -                     |
|                            | <b>17,716.56</b>          | <b>23,561.67</b>      | <b>6,641.80</b>       | -                     |

**NOTE NO. 26 Change in inventory of finished goods, work in progress and stock in trade**

| Particulars                       | [Rs in Lakhs]             |                       |                       |                       |
|-----------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                                   | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Opening Stock                     |                           |                       |                       |                       |
| WIP                               |                           |                       |                       |                       |
| Finished Goods                    |                           |                       |                       |                       |
| Closing Stock                     |                           |                       |                       |                       |
| WIP                               |                           |                       |                       |                       |
| Finished Goods                    |                           |                       |                       |                       |
| (Increase) / Decrease in WIP & FG |                           |                       |                       |                       |
| Net (Increase) / Decrease         | -                         | -                     | -                     | -                     |

**NOTE NO. 27 Employee Benefit Expenses**

| Particulars            | [Rs in Lakhs]             |                       |                       |                       |
|------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                        | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Salaries and Wages     | 39.95                     | 34.13                 | 7.13                  | -                     |
| Directors Remuneration | 14.80                     | 14.85                 | 12.77                 | -                     |
| Staff Welfare Expenses | 0.69                      | 0.55                  | 0.12                  | -                     |
|                        | <b>55.44</b>              | <b>49.53</b>          | <b>20.02</b>          | -                     |



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**NOTE NO. 28 Finance Cost**

[Rs in Lakhs]

| Particulars              | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|--------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| Interest on Others       | 42.04                     | -                     | -                     | 26.33                 |
| Premium On Debenture     | -                         | -                     | 4.36                  | -                     |
| Dividend on Pref. shares | 0.14                      | 0.19                  | 0.19                  | -                     |
| Bank Charges             | 0.18                      | 0.04                  | 0.03                  | 0.00                  |
|                          | <b>42.35</b>              | <b>0.23</b>           | <b>4.57</b>           | <b>26.33</b>          |

**NOTE NO. 29 Other Expenses**

[Rs in Lakhs]

| Particulars                  | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| Freight                      | 66.86                     | 161.22                | -                     | -                     |
| Power & Fuel (Electricity)   | 0.46                      | 0.42                  | -                     | 0.04                  |
| Rent Expenses                | 4.37                      | 38.99                 | 5.83                  | 1.85                  |
| Telephone Expenses           | 0.37                      | 0.33                  | 0.01                  | -                     |
| Travelling & Conveyance      | 0.84                      | 0.47                  | -                     | 0.04                  |
| Legal & Professional Charges | 36.63                     | 13.28                 | 26.60                 | 2.17                  |
| Interest on Income Tax       | 0.71                      | -                     | -                     | -                     |
| Interest on TDS              | 0.73                      | 0.41                  | -                     | -                     |
| Auditor's Remuneration       | 2.25                      | 3.10                  | 1.00                  | 0.25                  |
| Repair & Maintenance         | 0.59                      | 0.59                  | -                     | -                     |
| Loading & Unloading          | 29.74                     | -                     | -                     | -                     |
| Miscellaneous Expenses       | 12.29                     | (0.20)                | 52.02                 | 10.98                 |
|                              | <b>155.84</b>             | <b>218.62</b>         | <b>85.46</b>          | <b>15.33</b>          |



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*[Signature]*  
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(Amount in Lakhs, except No. of Shares)

| NOTE NO. 30: Earning Per Share        | As at 31st<br>December, 2023 | As at March 31,<br>2023 | As at March 31,<br>2022 | As at March 31,<br>2021 |
|---------------------------------------|------------------------------|-------------------------|-------------------------|-------------------------|
| <b>Basic EPS</b>                      |                              |                         |                         |                         |
| Profit for the year                   | 949.38                       | 666.68                  | 108.83                  | -60.55                  |
| Weighted number of shares outstanding | 45,70,33,003                 | 45,70,33,003            | 10,89,97,047            | 3,63,32,349             |
| Basic and Diluted EPS (Rs.)           | 0.21                         | 0.15                    | 0.10                    | -0.17                   |
| <b>Diluted EPS</b>                    |                              |                         |                         |                         |
| Profit for the year                   | 949.38                       | 666.68                  | 108.83                  | -60.55                  |
| Weighted number of shares outstanding | 45,70,33,003                 | 18,87,76,760            | 10,89,97,047            | 3,63,32,349             |
| Basic and Diluted EPS (Rs.)           | 0.21                         | 0.35                    | 0.10                    | -0.17                   |

**NOTE NO. 31: Reconciliation of Effective Tax Rate**

[Rs in Lakhs]

| Particulars   | As at 31st<br>December, 2023 | As at March 31,<br>2023 | As at March 31,<br>2022 | As at March 31,<br>2021 |
|---|------------------------------|-------------------------|-------------------------|-------------------------|
| Net income before tax, Excluding profit of Associates             | 1,251.13                     | 717.50                  | 108.84                  | (60.55)                 |
| Enacted tax rate in India   | 25.17%                       | 25.17%                  | 26.00%                  | 26.00%                  |
| <b>Computed tax expense</b>                                       | <b>314.89</b>                | <b>180.58</b>           | -                       | -                       |
| <b>Increase/ decrease in taxes on account of:</b>                 |                              |                         |                         |                         |
| Tax effect on exempted income under Income-tax Act                | -                            | -                       | -                       | -                       |
| Adjustment on account of Demerger                                 | -                            | -                       | -                       | -                       |
| Tax impact of restatement of Prior period items                   | -                            | -                       | -                       | -                       |
| Adjustment on account of brought forward losses/unabsorbed Dep.   | -                            | -95.43                  | -                       | -                       |
| Adjustment on account of other than permanent difference          | -                            | 0.43                    | -                       | -                       |
| Adjustment on account of permanent difference                     | -                            | -28.28                  | -                       | -                       |
| Excess/ Short provision relating earlier year tax                 | -                            | -                       | -                       | -                       |
| Income tax expense recognised in the statement of profit and loss | <b>314.89</b>                | <b>57.30</b>            | -                       | -                       |

**NOTE NO. 32: Employee Benefits**

Post-employment benefits plans

**(a) Defined Contribution Plans –**



In respect of the defined contribution plans, an amount of ` Nil (Previous Year: ` Nil) has been provided in the Profit & Loss account for the year towards employer share of PF contribution.

**(b) Defined Benefit Plans –**

The liability in respect of gratuity is determined for current year as per management estimate ` Nil (previous year ` Nil as per management estimate) carried out as at Balance Sheet date. Amount recognized in profit and loss account ` Nil (previous year ` Nil).

**NOTE NO. 33: Balances of Trade Receivables and Trade Payables as at the balance sheet are subject to confirmation and reconciliation.**



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**NOTE NO. 34 CAPITAL MANAGEMENT:** Equity share capital and other equity are considered for the purpose of Company's capital management. The Company's objective for capital management is to manage its capital to safeguard all stakeholders. The funding requirements are met through loans.

**NOTE NO. 35 Liquidity Risk:** Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company will continue to consider borrowing options to maximize liquidity and supplement cash requirements as necessary.

**NOTE NO.36** The Company is engaged in Trading of essential Items like Cashew Rice etc which is considered as the only reportable business segment.

**NOTE NO. 37. Contingent Liabilities & Commitments**

| Particulars  | (Rs. In Lakhs)            |                     |                     |                     |
|--|---------------------------|---------------------|---------------------|---------------------|
|  | As at 31st December, 2023 | As at 31st Mar 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| Claims against the Company, not acknowledged as debts*<br>(Amount paid to statutory authorities) | 73.56                     | 73.56               | 73.56               | 73.56               |

\* The Customs department has raised the claim on company for 73.56 lacs . The Company has disputed the same with appropriate authority.

**NOTE NO. 38** Previous year figures have been regrouped / reclassified wherever necessary to conform to current year's classification.



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*Ranjay Sandhu*

**NOTE NO. 39: FINANCIAL INSTRUMENTS**

**A. The carrying value and fair value of financial instruments:**

| Particulars                        | (Amount in Lakhs)         |                 |                      |                 |                      |                 |                      |            |
|------------------------------------|---------------------------|-----------------|----------------------|-----------------|----------------------|-----------------|----------------------|------------|
|                                    | As at 31st December, 2023 |                 | As at March 31, 2023 |                 | As at March 31, 2022 |                 | As at March 31, 2021 |            |
|                                    | Carrying Value            | Fair Value      | Carrying Value       | Fair Value      | Carrying Value       | Fair Value      | Carrying Value       | Fair Value |
| <b>Financial Assets</b>            |                           |                 |                      |                 |                      |                 |                      |            |
| <b>At Amortised Cost</b>           |                           |                 |                      |                 |                      |                 |                      |            |
| Trade Receivables                  | 3,208.79                  | 3,208.79        | 1,034.79             | 1,034.79        | 789.70               | 789.70          | -                    | -          |
| Cash & Cash equivalents            | 377.98                    | 377.98          | 556.42               | 556.42          | 44.07                | 44.07           | -                    | -          |
| Loans and Advances                 | 1,019.80                  | 1,019.80        | 2,287.40             | 2,287.40        | 0.35                 | 0.35            | -                    | -          |
| Other Financial Asset              | 1.30                      | 1.30            | 137.85               | 137.85          | 0.60                 | 0.60            | -                    | -          |
| <b>Total Financial Assets</b>      | <b>4,607.86</b>           | <b>4,607.86</b> | <b>4,016.47</b>      | <b>4,016.47</b> | <b>834.73</b>        | <b>834.73</b>   | -                    | -          |
| <b>Financial Liabilities</b>       |                           |                 |                      |                 |                      |                 |                      |            |
| <b>At Amortised Cost</b>           |                           |                 |                      |                 |                      |                 |                      |            |
| Borrowings                         | 729.63                    | 729.63          | 3,448.10             | 3,448.10        | 2,874.53             | 2,874.53        | -                    | -          |
| Trade Payables                     | 4,861.72                  | 4,861.72        | 2,408.26             | 2,408.26        | 1,442.61             | 1,442.61        | -                    | -          |
| Other Financial Liabilities        | 2.39                      | 2.39            | 168.11               | 168.11          | 163.57               | 163.57          | -                    | -          |
| <b>Total Financial Liabilities</b> | <b>5,593.74</b>           | <b>5,593.74</b> | <b>6,024.47</b>      | <b>6,024.47</b> | <b>4,480.72</b>      | <b>4,480.72</b> | -                    | -          |

**B. Fair value measurements recognised in the statement of financial position:**

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

| Particulars                  | As at 31st December, 2023 |         |                 | As at March 31, 2023 |         |                 | As at March 31, 2022 |         |
|------------------------------|---------------------------|---------|-----------------|----------------------|---------|-----------------|----------------------|---------|
|                              | Level 1                   | Level 2 | Level 3         | Level 1              | Level 2 | Level 3         | Level 1              | Level 2 |
| <b>At Amortised Cost</b>     |                           |         |                 |                      |         |                 |                      |         |
| Trade Receivables            |                           |         | 3,208.79        |                      |         | 1,034.79        |                      |         |
| Cash & Cash equivalents      |                           |         | 377.98          |                      |         | 556.42          |                      |         |
| Loans and Advances           |                           |         | 1,019.80        |                      |         | 2,287.40        |                      |         |
| Other Financial Asset        |                           |         | 1.30            |                      |         | 137.85          |                      |         |
| <b>Subtotal</b>              | -                         | -       | <b>4,607.86</b> | -                    | -       | <b>4,016.47</b> | -                    | -       |
| <b>Financial Liabilities</b> |                           |         |                 |                      |         |                 |                      |         |
| <b>At Amortised Cost</b>     |                           |         |                 |                      |         |                 |                      |         |
| Borrowings                   |                           |         | 729.63          |                      |         | 3,448.10        |                      |         |
| Trade Payables               |                           |         | 4,861.72        |                      |         | 2,408.26        |                      |         |
| Other Financial Liabilities  |                           |         | 2.39            |                      |         | 168.11          |                      |         |
| <b>Subtotal</b>              | -                         | -       | <b>5,593.74</b> | -                    | -       | <b>6,024.47</b> | -                    | -       |

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Cash and cash equivalents, Trade receivables, Other current Financial assets, Trade payable and other current Financial liabilities approximate their carrying amounts largely due to the short-term maturities or nature of these instruments.

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**NOTE NO.40. Key Financial Ratios**

| S.No. | Particulars                     | Numerator                     | Denominator                | Numerator | Denominator | 31.12.2023 | Numerator | Denominator | 2022-23 | Numerator | Denominator | 2021-22 | Numerator | Denominator | 2020-21 |
|-------|---------------------------------|-------------------------------|----------------------------|-----------|-------------|------------|-----------|-------------|---------|-----------|-------------|---------|-----------|-------------|---------|
| 1     | Current Ratio                   | Current Assets                | Current Liabilities        | 5,815.04  | 7,280.48    | 0.80       | 4,761.79  | 8,553.23    | 0.56    | 1,687.64  | 4,596.60    | 0.37    | 5.92      | 3,032.84    | 0.60    |
| 2     | Debt-Equity Ratio               | Total Debt                    | Total shareholder's Equity | 729.63    | 11,232.96   | 0.06       | 3,448.10  | 7,540.88    | 0.46    | 2,874.53  | (2,910.80)  | -0.99   | 2,861.80  | (3,019.64)  | -0.95   |
| 3     | Debt Service Coverage Ratio     | EBITDA                        | Interest-Instalment        | 1,569.19  | 42.35       | 37.05      | 720.33    | 0.23        | 3168.15 | 113.53    | 4.67        | 94.83   | (16.22)   | 26.33       | -0.62   |
| 4     | Return On Equity                | Net Income                    | Shareholder's Equity       | 949.38    | 11,232.96   | 8.49%      | 666.68    | 7,540.88    | 8.84%   | 108.83    | (2,910.80)  | -3.74%  | (60.55)   | (3,019.64)  | 2.01%   |
| 5     | Inventory Turnover Ratio        | Cost of Goods Sold            | Average Inventories        | 17,716.95 | -           | NA         | 23,561.67 | -           | NA      | 6,641.80  | -           | NA      | -         | -           | 0.00    |
| 6     | Trade Receivable Turnover Ratio | Net Credit Sale               | Average account Receivable | 18,395.28 | 1,879.75    | 9.79       | 24,141.41 | 536.76      | 44.98   | 5,617.34  | 389.96      | 17.48   | -         | -           | 0.00    |
| 7     | Trade Payable Turnover Ratio    | Net Credit Purchase           | Average account Payable    | 17,716.95 | 3,634.99    | 4.87       | 23,561.67 | 1,925.44    | 12.24   | 6,641.80  | 722.37      | 9.19    | -         | -           | 0.00    |
| 8     | Net Capital Turnover Ratio      | Total Sale                    | Shareholder's Equity       | 18,395.28 | 11,232.96   | 1.64       | 24,141.41 | 7,540.88    | 3.20    | 6,852.54  | (2,910.80)  | -2.35   | -         | (3,019.64)  | 0.00    |
| 9     | Net Profit Ratio                | Net Profit                    | Revenue                    | 949.38    | 18,395.28   | 0.05       | 666.68    | 24,141.41   | 0.03    | 108.83    | 6,852.54    | 0.02    | (60.55)   | -           | NA      |
| 10    | Return On Capital Employed      | Earning Before Interest & Tax | Capital Employed           | 1,307.80  | 11,318.22   | 11.59%     | 723.93    | 7,543.38    | 9.60%   | 113.41    | (2,908.30)  | -3.90%  | (34.22)   | (3,017.14)  | -1.13%  |
| 11    | Return on Investment            | Profit from Investment        | Cost of Investment         | NA        | NA          | NA         | NA        | NA          | NA      | NA        | NA          | 0       | NA        | NA          | 0       |



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**Restated Notes forming part Consolidated of Ind AS Financial Statements for the period and year ended December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021**

**Note 41: Related Party Transaction**

| Relationship   | Name of KMP             |
|--|-------------------------|
| Managing Director (Since 7th August,2021)                              | Mr. Vishesh Gupta       |
| Director (From 7th August,2021 to 9th August 2022)                     | Ms. Shweta Singh        |
| Wholetime Director (From 9th August, 2022 To 27th July 2023)           | Mr. Manoj Kumar Sharma  |
| Wholetime Director (From 27th July 2023)                               | Mr. Deepak Kumar Gupta  |
| Independent Director (From 7th August,2021 to 27th July 2023)          | Mr. Komal Jain          |
| Independent Director (Since 7th August,2021)                           | Ms. Gunjan Jha          |
| Independent Director (Since 7th August,2021)                           | Ms. Sony Kumari         |
| Independent Director (From 7th August,2021 to 27th July 2023)          | Ms. Mansi Gupta         |
| Chief Financial Officer (From 8th November, 2021 to 20th August, 2022) | Mr. Sandeep Gupta       |
| Chief Financial Officer (From 15th October 2022 to 20th December 2022) | Ms. Sweta Gandhi        |
| Chief Financial Officer (From 27th April 2023 to 30th June 2023)       | Mr. Deepankar Gambhir   |
| Chief Financial Officer (From 27th July 2023 to 11th September 2023)   | Mr. Ishan Mudgal        |
| Chief Financial Officer (From 27th November,2023)                      | Mr. Pankaj Sardana      |
| Company Secretary (From 7th August, 2021 to 9th August,2022)           | Mr. Prince Chugh        |
| Company Secretary (Since 9th August,2022)                              | Mr. Pankaj Kumar Sharma |

**In Lakhs**

| Transactions                      | As at 31st December 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|-----------------------------------|--------------------------|-----------------------|-----------------------|-----------------------|
| <b>Directors Remuneration</b>     |                          |                       |                       |                       |
| Vishesh Gupta                     | 8.80                     | 10.65                 | 5.85                  | -                     |
| Shweta Singh                      | -                        | -                     | 3.32                  | -                     |
| Manoj Kumar Sharma                | 5.94                     | 4.80                  | -                     | -                     |
| Deepak Kumar Gupta                | 3.00                     | -                     | -                     | -                     |
| <b>Sitting Fee</b>                |                          |                       |                       |                       |
| Komal Jain                        | -                        | -                     | 0.22                  | -                     |
| Gunjan Jha                        | 1.00                     | 1.40                  | 1.30                  | -                     |
| Sony Kumari                       | 1.00                     | 1.40                  | 1.02                  | -                     |
| Mansi Gupta                       | 1.00                     | 1.40                  | 1.06                  | -                     |
| Salary to Chief Financial Officer | 3.29                     | 4.75                  | 3.24                  | -                     |
| Salary to Company Secretary       | 4.48                     | 5.28                  | 2.51                  | -                     |



*Deepak*

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*Pankaj Sardana*

**NOTE NO. 42 : ADDITIONAL REGULATORY INFORMATION**

**During the Period or previous years**

- (i) All the immoveable properties held by the company are in the name of the company (where the company is the lessee and the lease arrangements are duly executed in favour of lessee) as on the balance sheet date.
- (ii) Company have Property Plant and Equipment to revalue the same (including Right-of Use Assets), based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.
- (iii) Company doesn't have intangible asset to revalue the same, based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.
- (iv) Company not provided any loans to Promoters, Directors, Key Managerial Persons or related parties. The loans provided to other body corporates are repayable on demand.
- (v) Company doesn't have any Capital-Work-in Progress.
- (vi) Company doesn't have any intangible assets under developments.
- (vii) No benami property held by company, No proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (viii) Company has no borrowings from banks or financial Institutions on the basis of security of current assets.
- (ix) Company not declared as wilful defaulter by any bank or financial Institution or other lender.
- (x) Company has not done any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,
- (xi) Company has not any charges or satisfaction yet to be registered with ROC beyond the statutory period.
- (xii) Section 135 of Companies Act, 2013 relating to CSR Policy is applicable on the Company.
- (xiii) Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act' 2013 read with Companies (Restriction on Number of Layers) Rules' 2017
- (xiv) The additional information pursuant to Schedule III to the Companies Act, 2013 are either nil or not applicable.

**The accompanying Notes 1 to 42 forms integral part of these Financial Statements**

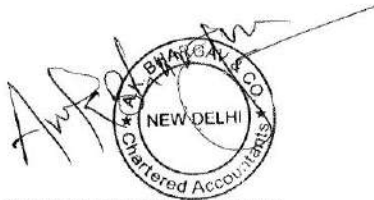
**As per our report of even date attached**

**For A. K. Bhargav & Co.**

**Chartered Accountants**

**FRN : 034063N**

**For & on behalf of the Board of Directors of Integra Essentia Limited**



**(CA ARUN KUMAR BHARGAV)**  
**(Proprietor)**  
**Membership No. 548396**  
**UDIN : 24548396BKAKHW6552**  
**Place: Delhi**  
**Date : 15/02/2024**

*Deepak*  
**Deepak Kumar Gupta**  
**Director**  
**DIN: 00057003**

*Arijit*  
**Arijit Kumar Ojha**  
**Director**  
**DIN:10265020**

*Pankaj*  
**Pankaj Kumar Sharma**  
**Company Secretary**  
**PAN:GZFPS2953L**

*Pankaj Sardana*  
**Pankaj Sardana**  
**Chief Financial Officer**  
**PAN:ESEPS1629M**



Auditors' Report on the restated summary statements of assets and liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, summary statement of profits and losses (including other comprehensive income), summary statement of cash flows and changes in equity for the period ended December 31, 2023 and each of the years ended March 31, 2023, March 31, 2022 and March 31, 2021 of Integra Essentia Limited (collectively, the "Restated Summary Statements")

To  
**The Board of Directors**  
**Integra Essentia Limited.**

Dear Sirs:

1. We have examined the attached Restated Summary Statements of Integra Essentia Limited (the "Company") annexed to this report and prepared by the Company for the purpose of inclusion in the Letter of Offer in connection with its Right Issue. The Restated Summary Statements, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:
  - a) Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act");
  - b) Relevant provisions of The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (as amended) issued by the Institute of Chartered Accountants of India ("ICAI"), (the "Guidance Note")

#### **Management's Responsibility for the Restated Summary Statements**

2. The preparation of the Restated Summary Statements, which are to be included in the Offer documents is the responsibility of the Management of the Company. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the ICDR Regulations.

#### **Auditors' Responsibilities**

3. We have examined such Restated Summary Statements taking into consideration:
  - a. The terms of reference and terms of our engagement agreed with you vide our engagement letter dated January 23, 2024, requesting us to carry out the assignment, in connection with the proposed Right Issue of the Company;
  - b. The Guidance Note; The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.



H. No. 103A, New Lahore Shastri Nagar, Street No. 4, (Behind Jain Mandir), New Delhi-110071  
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[Akbhargav.co@gmail.com](mailto:Akbhargav.co@gmail.com)  
M- 8860300686



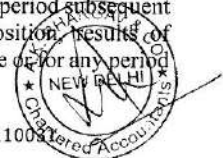
- c. Concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Unconsolidated Summary Statements; and
- d. The requirements of Section 26 of the Act and the ICDR Regulations;

Our work was performed solely to assist you in meeting your responsibilities in relation to your Compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed Right Issue.

#### **Restated Summary Statements as per audited Financial Statements**

4. These Restated Summary Statements have been compiled by the management of the Company from:
  - a. Unaudited financial statements of the Company as at and for the period ended December 31, 2023, which have been Limited Reviewed by us dated 23.01.2024 and which were prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as "Ind AS"), which have been approved by the Right Issue Committee at their meeting held on January 23, 2024;
  - b. Audited financial statements of the Company as at and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021, which were prepared in accordance with Ind AS as prescribed under section 133 of the Act, read with relevant rules thereunder and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on April 27, 2023, April 28, 2022 and May 05, 2021 respectively; and
5. For the purpose of our examination, we have relied on:
  - Auditors' reports issued by us dated 27 April 2023 on the financial statements of the company for the year ended March 31, 2023 as referred in Paragraph 4(b) above and
  - Auditor's Report dated April 28, 2022 and May 05, 2021 issued by the previous auditor, on the financial statements of the Company as at and for the years ended March 31, 2022 and 2021 as referred in Paragraph 4(b) above;
6. Based on the above and according to the information and explanations given to us, we report that the Restated Summary Statements of the Company, as attached to this report read with basis of preparation and respective significant accounting policies have been prepared in accordance with the Act, ICDR Regulations, Guidance Note, and these Restated Summary Statements:
  - i. have been made after incorporating adjustments and regroupings for the material amounts in the respective financial year to which they relate;
  - ii. does not have any qualifications in the auditors' reports on the audited financial statements of the company as at March 31, 2023, March 31, 2022 and March 31, 2021 which require any adjustments to the Restated Standalone Financial Information.
7. We have not audited any financial statements of the Company as of any date or for any period subsequent to December 31, 2023. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Company as of any date or for any period subsequent to December 31, 2023.

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[Akbhargav.co@gmail.com](mailto:Akbhargav.co@gmail.com)  
M- 8860300686



8. We have not audited any financial statements of the Company for period ending March 31, 2022 and March 31, 2021. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Company for period ending March 31, 2022 and March 2021.
9. The Restated Summary Statements do not reflect the effects of events that occurred subsequent to the audited financial statements mentioned in paragraph 4 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. In our opinion, the above Restated Financial Information contained in Annexure to this report read along with the Basis of Preparation and Significant Accounting policies after making adjustments and regrouping/re-classification as considered appropriate and have been prepared in accordance with the provisions of Section 26 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with you.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Offer documents to be filed with recognized Stock Exchange in connection with the proposed Right Issue. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For A K BHARGAV & CO**  
Chartered Accountants  
FRN:034063N  
  
CA ARUN KUMAR BHARGAVA  
(Proprietor)  
M. No: 548396  
UDIN: 24548396BKAKHV5530

Place: New Delhi  
Date: 15.02.2024

H. No. 103A, New Lahore Shastri Nagar, Street No. 4, (Behind Jain Mandir), New Delhi-110031  
Email Id - [caarunbhargav17@gmail.com](mailto:caarunbhargav17@gmail.com)  
[Akhhargav.co@gmail.com](mailto:Akhhargav.co@gmail.com)  
M- 8860300686

## Annexure -I

**Integra Essentia Limited**  
(Formerly known as Integra Garments & Textiles Limited)  
CIN: L74110DL2007PLC396238

REGD OFF: 607, 6th Floor, Pearl's Best Height -II, Netaji Subhash Place, North West Delhi, India, 110034  
Restated Standalone Statement of Assets and Liabilities as at 31st December, 2023, March 31, 2023, March 31, 2022 and March 31, 2021

| Particulars  | Note No. | (Amount in Lakhs)         |                        |                        |                        |
|--|----------|---------------------------|------------------------|------------------------|------------------------|
|  |          | As at 31st December, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
| <b>I. ASSETS</b>   |          |                           |                        |                        |                        |
| <b>1) Non-Current Assets</b>   |          |                           |                        |                        |                        |
| a) Property, Plant and Equipment   | 2        | 3,871.04                  | 4,003.70               | 0.51                   | -                      |
| b) Other Intangible Assets   | 2        | -                         | -                      | 0.15                   | -                      |
| <b>c) Financial Assets</b>   |          |                           |                        |                        |                        |
| (i) Investments  | 3        | 2,006.61                  | 1,310.51               | -                      | -                      |
| (ii) Trade receivables   |          | -                         | -                      | -                      | 9.78                   |
| (iii) Loans and Advances Long Term                                       | 4        | 6,886.40                  | 5,976.89               | -                      | -                      |
| (iv) Other Financial Assets  | 4a       | -                         | 37.26                  | -                      | -                      |
| d) Deferred Tax Asset/(Net)  | 15       | -                         | 0.27                   | -                      | -                      |
| <b>Total Non-Current Assets</b>  |          | <b>12,764.05</b>          | <b>11,328.62</b>       | <b>0.66</b>            | <b>9.78</b>            |
| <b>2) Current Assets</b>   |          |                           |                        |                        |                        |
| <b>a) Financial Assets</b>   |          |                           |                        |                        |                        |
| (i) Investments  | 5        | 568.40                    | 681.17                 | -                      | -                      |
| (ii) Trade Receivables   | 6        | 3,208.79                  | 1,034.79               | 789.70                 | -                      |
| (iii) Cash and Cash Equivalents  | 7        | 372.27                    | 550.72                 | 38.72                  | 0.43                   |
| (iv) Bank Balances other than Cash and Cash Equivalents                  | 8        | 5.70                      | 5.70                   | 5.35                   | 5.35                   |
| (v) Loans and Advances   | 9        | 1,019.80                  | 2,287.40               | 0.35                   | -                      |
| (vi) Other Financial Assets  | 10       | 1.30                      | 100.60                 | 0.60                   | 0.09                   |
| b) Other Current Assets  | 11       | 638.78                    | 101.40                 | 852.91                 | 0.05                   |
| <b>Total Current Assets</b>  |          | <b>5,815.04</b>           | <b>4,761.79</b>        | <b>1,687.64</b>        | <b>5.92</b>            |
| <b>Total Assets</b>  |          | <b>18,579.09</b>          | <b>16,090.41</b>       | <b>1,688.30</b>        | <b>15.70</b>           |
| <b>II. EQUITY AND LIABILITIES</b>  |          |                           |                        |                        |                        |
| <b>1) Equity</b>   |          |                           |                        |                        |                        |
| a) Equity Share Capital  | 12       | 4,570.33                  | 4,570.33               | 1,089.97               | 1,089.97               |
| b) Other Equity  | 13       | 6,642.12                  | 2,964.35               | (4,000.78)             | (4,109.61)             |
| <b>Total Equity</b>  |          | <b>11,212.45</b>          | <b>7,534.68</b>        | <b>(2,910.80)</b>      | <b>(3,019.64)</b>      |
| <b>LIABILITIES</b>   |          |                           |                        |                        |                        |
| <b>2) Non-Current Liabilities</b>  |          |                           |                        |                        |                        |
| <b>a) Financial Liabilities</b>  |          |                           |                        |                        |                        |
| (i) Borrowings   | 14       | 85.26                     | 2.50                   | 2.50                   | 2.50                   |
| b) Deferred Tax Liabilities/(Net)  | 15       | 0.91                      | -                      | 0.01                   | -                      |
| <b>Total Non-current Liabilities</b>                                     |          | <b>86.17</b>              | <b>2.50</b>            | <b>2.51</b>            | <b>2.50</b>            |
| <b>3) Current Liabilities</b>  |          |                           |                        |                        |                        |
| <b>a) Financial Liabilities</b>  |          |                           |                        |                        |                        |
| (i) Borrowings   | 16       | 644.37                    | 3,445.60               | 2,872.03               | 2,859.30               |
| (ii) Trade Payables  |          | -                         | -                      | -                      | -                      |
| Total outstanding dues of Micro & Small Enterprises                      | 17       | 2,294.46                  | 2,018.70               | 1,425.75               | -                      |
| Total outstanding dues of creditors other than Micro & Small Enterprises | 17       | 2,567.26                  | 389.55                 | 16.87                  | 2.13                   |
| (iii) Other financial liabilities  | 18       | 2.39                      | 168.11                 | 163.57                 | 163.39                 |
| b) Other Current Liabilities   | 19       | 1,456.43                  | 2,473.06               | 117.48                 | 8.02                   |
| c) Provisions  | 20       | 0.68                      | 0.90                   | 0.90                   | -                      |
| d) Current Tax Liabilities/(Net)   | 21       | 314.89                    | 57.30                  | -                      | -                      |
| <b>Total current Liabilities</b>   |          | <b>7,280.48</b>           | <b>8,553.23</b>        | <b>4,596.60</b>        | <b>3,032.84</b>        |
| <b>Total Equity and Liabilities</b>                                      |          | <b>18,579.09</b>          | <b>16,090.41</b>       | <b>1,688.30</b>        | <b>15.70</b>           |

The accompanying Notes 1 to 42 forms integral part of these Financial Statements

As per our report of even date attached

For A. K. Bhargava &amp; Co.

Chartered Accountants

FRN : 034063N

A. K. BHARGAVA & CO.  
NEW DELHI  
Chartered Accountants

(CA ARUN KUMAR BHARGAVA)

(Proprietor)

Membership No. 548396

UDIN : 24548396BKAKHV5530

Place: Delhi

Date : 15/02/2024

For &amp; on behalf of the Board of Directors of Integra Essentia Limited

Deepak  
Deepak Kumar Gupta  
Director  
DIN: 00057003

Anjit Kumar Ojha  
Director  
DIN:10265020

Pankaj  
Pankaj Kumar Sharma  
Company Secretary  
PAN:GZFPS2953L

Pankaj Sardana  
Chief Financial Officer  
PAN:ESEPS1629M

## Annexure - II

**Integra Essentia Limited**  
(Formerly known as Integra Garments & Textiles Limited)  
CIN: L74110DL2007PLC396238

REGD OFF: 607, 6th Floor, Pearl's Best Height - II, Netaji Subhash Place, North West Delhi, India, 110034

Restated Standalone Statement of Profit & Loss Account for the period ended 31st December, 2023, March 31, 2023, March 31, 2022 and March 31, 2021

| Sr. No. | Particulars   | Note No. | (Amount in Lakhs, Except no. of shares) |                        |                        |                        |
|---------|---|----------|---|------------------------|------------------------|------------------------|
|         |   |          | As at 31st December, 2023               | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
| 1       | Revenue from Operations   | 22       | 18,395.28                               | 24,141.41              | 6,852.54               | -                      |
| 2       | Other Income  | 23       | 1,101.74                                | 408.73                 | 8.28                   | -                      |
| 3       | <b>Total Income (1+2)</b>   |          | <b>19,497.02</b>                        | <b>24,550.15</b>       | <b>6,860.82</b>        | <b>0.41</b>            |
| 4       | <b>EXPENSES :</b>   |          |   |                        |                        |                        |
| a.      | Cost of Materials Consumed  | 24       | -                                       | -                      | -                      | 1.30                   |
| b.      | Purchases of Stock-in-Trade   | 25       | 17,716.56                               | 23,561.67              | 6,641.80               | -                      |
| c.      | Change in inventory of finished goods, work in progress and stock in trade        | 26       | -                                       | -                      | -                      | -                      |
| d.      | Employee Benefits Expense   | 27       | 55.44                                   | 49.53                  | 20.02                  | -                      |
| e.      | Finance Costs   | 28       | 42.35                                   | 0.23                   | 4.57                   | 26.33                  |
| f.      | Depreciation and Amortisation Expense   | 2        | 278.01                                  | 2.60                   | 0.12                   | 18.00                  |
| g.      | Other Expenses  | 29       | 155.84                                  | 218.62                 | 85.46                  | 15.33                  |
|         | <b>Total Expenses</b>   |          | <b>18,248.20</b>                        | <b>23,832.65</b>       | <b>6,751.98</b>        | <b>60.96</b>           |
| 5       | <b>Profit Before Exceptional Items and Tax (3-4)</b>                              |          | <b>1,248.82</b>                         | <b>717.50</b>          | <b>108.84</b>          | <b>(60.55)</b>         |
| 6       | Exceptional Items   |          | (2.31)                                  | -                      | -                      | -                      |
| 7       | <b>Profit/ (Loss) Before Tax (5-6)</b>  |          | <b>1,251.13</b>                         | <b>717.50</b>          | <b>108.84</b>          | <b>(60.55)</b>         |
| 8       | <b>Tax Expense/(Benefits):</b>  |          |   |                        |                        |                        |
|         | I. Current Tax  | 31       | 314.89                                  | 57.30                  | -                      | -                      |
|         | ii. Deferred Tax  | 15       | 1.18                                    | (0.27)                 | 0.01                   | -                      |
| 9       | <b>Total Tax Expense (I+II)</b>   |          | <b>316.07</b>                           | <b>57.03</b>           | <b>0.01</b>            | <b>-</b>               |
| 10      | <b>Profit/(Loss) from continuing operations (7-8)</b>                             |          | <b>935.07</b>                           | <b>660.48</b>          | <b>108.83</b>          | <b>(60.55)</b>         |
| 11      | Profit/(Loss) from discontinuing operations                                       |          | -                                       | -                      | -                      | -                      |
| 12      | Tax Expenses from discontinuing operations  |          | -                                       | -                      | -                      | -                      |
| 13      | <b>Profit/(Loss) for the period (9+12)</b>  |          | <b>935.07</b>                           | <b>660.48</b>          | <b>108.83</b>          | <b>(60.55)</b>         |
| 14      | <b>Other Comprehensive Income :</b>   |          |   |                        |                        |                        |
|         | A) (i) Items that will not be reclassified to Profit and Loss                     |          | -                                       | -                      | -                      | -                      |
|         | (ii) Income tax relating to items that will not be reclassified to profit or loss |          | -                                       | -                      | -                      | -                      |
|         | B) (i) Items that will be reclassified to profit and loss account                 |          | -                                       | -                      | -                      | -                      |
|         | (ii) Income tax relating to items that will be reclassified to profit or loss     |          | -                                       | -                      | -                      | -                      |
| 15      | <b>Total Comprehensive Income for the period (13+14)</b>                          |          | <b>935.07</b>                           | <b>660.48</b>          | <b>108.83</b>          | <b>(60.55)</b>         |
| 16      | <b>Earnings per Equity Share of Rs. 1 each, previously 3 each</b>                 |          |   |                        |                        |                        |
|         | Basic   | 30       | 0.20                                    | 0.14                   | 0.10                   | (0.17)                 |
|         | Diluted   | 30       | 0.20                                    | 0.35                   | 0.10                   | (0.17)                 |

The accompanying Notes 1 to 42 forms integral part of these Financial Statements  
As per our report of even date attached  
For A. K. Bhargav & Co.  
Chartered Accountants  
FRN : 034063N

*A. K. Bhargav*  


(CA ARUN KUMAR BHARGAV)  
(Proprietor)  
Membership No. 548396  
UDIN : 24548396BKAKHV5530  
Place: Delhi  
Date : 15/02/2024

For & on behalf of the Board of Directors of Integra Essentia Limited

*Deepak*  
Deepak Kumar Gupta  
Director  
DIN: 00057003

*Arijit*  
Arijit Kumar Ojha  
Director  
DIN: 10265020

*Pankaj*  
Pankaj Kumar Sharma  
Company Secretary  
PAN: GZFPS2953L

*Pankaj*  
Pankaj Sardana  
Chief Financial Officer  
PAN: ESEPS1629M

## Annexure - III

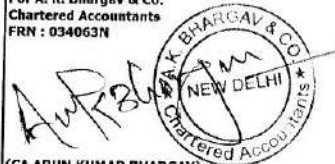
**Integra Essentia Limited**  
(Formerly known as Integra Garments & Textiles Limited)  
CIN: L74110DL2007PLC396238

REGD OFF: 607, 6th Floor, Pearls Best Height - II, Netaji Subhash Place, North West Delhi, India, 110034

Restated Standalone Statement of Cash Flows for the period ended 31st December, 2023, March 31, 2023, March 31, 2022 and March 31, 2021

| Particulars  | (Amount in Lakhs)         |                        |                        |                        |
|--|---------------------------|------------------------|------------------------|------------------------|
|  | As at 31st December, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
| <b>A. Cash Flow from Operating Activities</b>                  |                           |                        |                        |                        |
| Net Profit/(Loss) before Tax                                   | 1,251.13                  | 717.50                 | 108.84                 | (60.55)                |
| Adjustment for:  |                           |                        |                        |                        |
| Depreciation & Amortisation Expense                            | 278.01                    | 2.60                   | 0.12                   | 18.00                  |
| Interest Income  | (376.16)                  | (293.96)               | (0.35)                 | -                      |
| Interest Expense   | 42.35                     | 0.23                   | 4.57                   | 26.33                  |
| Adjustment of IndAS  | 22.74                     | (28.24)                | -                      | 0.89                   |
| Net unrealized foreign exchange (gain)                         | -                         | -                      | -                      | -                      |
| <b>Operating Profit before working Capital Changes :</b>       | <b>1,218.09</b>           | <b>398.12</b>          | <b>113.18</b>          | <b>(15.33)</b>         |
| <b>Movements in Working Capital :</b>                          |                           |                        |                        |                        |
| (Increase)/decrease in Other current Assets                    | (438.08)                  | 651.51                 | (853.22)               | (0.05)                 |
| (Increase)/decrease in Other Non Current Assets                | 37.26                     | (37.26)                | (0.51)                 | -                      |
| (Increase)/decrease in Trade Receivables                       | (2,173.99)                | (245.09)               | (779.92)               | -                      |
| (Increase)/decrease in Inventories                             | -                         | -                      | -                      | 0.41                   |
| Increase/(decrease) in Other current Liabilities               | (1,182.57)                | 2,360.12               | 110.54                 | 0.48                   |
| Increase/(decrease) in Trade payables                          | 2,453.46                  | 965.64                 | 1,440.49               | -                      |
| <b>Cash generated from Operations :</b>                        | <b>(85.84)</b>            | <b>4,093.05</b>        | <b>30.57</b>           | <b>(14.49)</b>         |
| Direct Taxes Paid  | -57.30                    | -                      | -                      | -                      |
| <b>Net Cash flow from/(used in) Operating Activities [A]</b>   | <b>(143.14)</b>           | <b>4,093.05</b>        | <b>30.57</b>           | <b>(14.49)</b>         |
| <b>B. Cash Flow from Investing Activities</b>                  |                           |                        |                        |                        |
| Purchase of property, plant and equipment including CWIP       | (145.36)                  | (4,005.64)             | (0.78)                 | -                      |
| Proceeds from sale of property, plant and equipment            | -                         | -                      | -                      | -                      |
| (Increase)/decrease in Long term Loans & Advances              | (909.51)                  | (5,976.89)             | -                      | -                      |
| Movement in Investments  | (583.34)                  | (1,991.68)             | -                      | -                      |
| Movement in Loans  | 1,267.60                  | (2,287.05)             | -                      | -                      |
| Movement Bank Deposit not considered as cash & cash equivalent | -                         | (0.35)                 | -                      | -                      |
| Interest Received  | 376.16                    | 293.96                 | 0.35                   | -                      |
| <b>Net Cash flow from/(used in) Investing Activities [B]</b>   | <b>5.56</b>               | <b>(13,967.65)</b>     | <b>(0.43)</b>          | <b>-</b>               |
| <b>C. Cash Flow from Financing Activities</b>                  |                           |                        |                        |                        |
| Proceeds from/ (repayment of) Long term borrowings             | -                         | -                      | -                      | -                      |
| (Increase)/decrease in Financial Assets                        | -                         | -                      | -                      | -                      |
| Money received against Right Issue                             | -                         | 9,813.25               | -                      | -                      |
| Proceeds from/ (repayment of) in Short term borrowings         | (2,718.47)                | 573.57                 | 12.73                  | 14.30                  |
| Other Comprehensive Income                                     | 73.71                     | -                      | -                      | -                      |
| Capital Reserve  | 2,695.00                  | -                      | -                      | -                      |
| Right Issue Expenses   | (48.75)                   | -                      | -                      | -                      |
| Interest Paid  | (42.35)                   | (0.23)                 | (4.57)                 | (0.00)                 |
| <b>Net Cash flow from/(used) in Financing Activities [C]</b>   | <b>(40.87)</b>            | <b>10,386.60</b>       | <b>8.16</b>            | <b>14.30</b>           |
| Net Increase/Decrease in Cash & Cash Equivalents [A+B+C]       | (178.45)                  | 512.00                 | 38.29                  | (0.19)                 |
| Cash & Cash equivalents at the beginning of the year           | 550.72                    | 38.72                  | 0.43                   | 0.62                   |
| <b>Cash &amp; Cash equivalents at the end of the year</b>      | <b>372.27</b>             | <b>550.72</b>          | <b>38.72</b>           | <b>0.43</b>            |
| <b>Components of Cash and Cash Equivalents</b>                 | <b>372.27</b>             | <b>550.72</b>          | <b>38.72</b>           | <b>0.43</b>            |

As per our report of even date attached  
For A. K. Bhargava & Co.  
Chartered Accountants  
FRN : 034063N



(CA ARUN KUMAR BHARGAVA)  
(Proprietor)  
Membership No. 548396  
UDIN : 24548396BKAKHV5530  
Place: Delhi  
Date : 15/02/2024

For & on behalf of the Board of Directors of Integra Essentia Limited

*Deepak*  
Deepak Kumar Gupta  
Director  
DIN: 00057003

*Arjit*  
Arjit Kumar Ojha  
Director  
DIN:10265020

*Pankaj*  
Pankaj Kumar Sharma  
Company Secretary  
PAN:GZFPS2953L

*Pankaj*  
Pankaj Sardana  
Chief Financial Officer  
PAN:ESEPS1629M

## Annexure - IV

**Integra Essentia Limited**  
(Formerly known as Integra Garments & Textiles Limited)  
CIN: L74110DL2007PLC396238

REGD OFF: 607, 6th Floor, Pearls East Height -II, Netaji Subhash Place, North West Delhi, India, 110034  
Restated Standalone Statement of Changes in Equity for the period ended 31st December, 2023, March 31, 2023, March 31, 2022 & March 31, 2021

**A. Equity Share Capital****(1) Current Reporting Period 31st December, 2023**

(Rs. In Lakhs)

| Balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|---|--|
| 4,570.33   | -   | 4,570.33   |

**(2) Reporting Period 31st March, 2023**

(Rs. In Lakhs)

| Balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|---|--|
| 1,089.97   | 3,480.36  | 4,570.33   |

**(3) Reporting Period 31st March, 2022**

(Rs. In Lakhs)

| Balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|---|--|
| 1,089.97   | -   | 1,089.97   |

**(4) Reporting Period 31st March, 2021**

(Rs. In Lakhs)

| Balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|---|--|
| 1,089.97   | -   | 1,089.97   |

**B. Other Equity****(1) Current Reporting Period 31st December, 2023**

(Rs. In Lakhs)

|  | Reserves and Surplus |                                  |                   | Total    |
|--|----------------------|----------------------------------|-------------------|----------|
|  | Securities Premium   | Other Reserves (General Reserve) | Retained Earnings |          |
| Balance at the beginning of the current reporting period | 6,332.90             | 151.25                           | (3,519.79)        | 2,964.35 |
| Additions during the Year                                | -                    | -                                | 935.07            | 935.07   |
| Total Comprehensive Income for the current year          | -                    | -                                | -                 | -        |
| Dividends  | -                    | -                                | -                 | -        |
| Right Issue Expenses                                     | (48.75)              | -                                | -                 | (48.75)  |
| Discounting for Financial Asset                          | -                    | -                                | 22.74             | 22.74    |
| Balance at the end of the current reporting period       | 6,284.15             | 151.25                           | (2,561.98)        | 3,873.41 |

**(2) Previous Reporting Period 31st March, 2023**

(Rs. In Lakhs)

|  | Reserves and Surplus |                                  |                   | Total      |
|--|----------------------|----------------------------------|-------------------|------------|
|  | Securities Premium   | Other Reserves (General Reserve) | Retained Earnings |            |
| Balance at the beginning of the current reporting period | -                    | 151.25                           | (4,180.27)        | (4,029.02) |
| Additions during the Year                                | 6,332.90             | -                                | -                 | 6,332.90   |
| Total Comprehensive Income for the current year          | -                    | -                                | 660.48            | 660.48     |
| Balance at the end of the current reporting period       | 6,332.90             | 151.25                           | (3,519.79)        | 2,964.35   |

**(3) Reporting Period 31st March, 2022**

(Rs. In Lakhs)

|  | Reserves and Surplus |                                  |                   | Total      |
|--|----------------------|----------------------------------|-------------------|------------|
|  | Securities Premium   | Other Reserves (General Reserve) | Retained Earnings |            |
| Balance at the beginning of the current reporting period | -                    | 151.25                           | (4,260.86)        | (4,109.61) |
| Total Comprehensive Income for the current year          | -                    | -                                | 108.83            | 108.83     |
| Balance at the end of the current reporting period       | -                    | 151.25                           | (4,152.02)        | (4,000.78) |

**(4) Reporting Period 31st March, 2021**

(Rs. In Lakhs)

|  | Reserves and Surplus |                                  |                   | Total      |
|--|----------------------|----------------------------------|-------------------|------------|
|  | Securities Premium   | Other Reserves (General Reserve) | Retained Earnings |            |
| Balance at the beginning of the current reporting period | -                    | 151.25                           | (4,200.31)        | (4,049.06) |
| Total Comprehensive Income for the current year          | -                    | -                                | (60.55)           | (60.55)    |
| Balance at the end of the current reporting period       | -                    | 151.25                           | (4,260.86)        | (4,109.61) |

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Annexure-V

Integra Essentia Limited

CIN: L74110DL2007PLC396238

Statement of Restatement Adjustments to Standalone Financial Statements for the nine months ended December 31, 2023 and years ended March 31, 2023, March 31,2022 & March 31,2021

**PART A: Statement of Restatement Adjustments to Audited Financial Statements**

**Reconciliation between Audited Total Comprehensive Income and Restated Total Comprehensive Income**

(Amount in Lakhs)

| Particulars                                | As at 31st December, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|--|---------------------------|------------------------|------------------------|------------------------|
| Audited total Comprehensive Income         | 935.07                    | 660.48                 | 108.83                 | -60.55                 |
| <b>Restated Adjustments:</b>               | -                         | -                      | -                      | -                      |
| <b>Restated total comprehensive income</b> | <b>935.07</b>             | <b>660.48</b>          | <b>108.83</b>          | <b>-60.55</b>          |

**Reconciliation between Audited Shareholder's Funds and Restated Shareholder's Funds**

(Amount in Lakhs)

(Amount in Lakhs)

| Particulars                  | As at 31st December, 2023 | As at 31st March, 2023 | As at 31st March, 2022 | As at 31st March, 2021 |
|------------------------------|---------------------------|------------------------|------------------------|------------------------|
| Audited Shareholder's Funds  | 11,212.45                 | 7,534.68               | -2,910.80              | -3,019.64              |
| <b>Restated Adjustments:</b> | -                         | -                      | -                      | -                      |
| <b>Restated Equity</b>       | <b>11,212.45</b>          | <b>7,534.68</b>        | <b>-2,910.80</b>       | <b>-3,019.64</b>       |

**PART B: Regrouping**

Appropriate regroupings have been made in the Restated Financial Information, wherever required, by reclassification of the corresponding terms of income, expense, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per latest financial statements of the Company for the nine months period ended 31st December 2023



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Ranjit Singh

**Annexure VI: STATEMENT OF CAPITALISATION**  
**(All amounts in Indian Rupees in Lakhs, unless otherwise stated)**

| <b>Particulars</b>                       | <b>Pre Issue<br/>31.12.2023</b> | <b>Post<br/>Issue</b> |
|--|---------------------------------|-----------------------|
| <b>Debt</b>                              |                                 |                       |
| Short Term Debt                          | 644.37                          | [•]                   |
| Long Term Debt                           | 85.26                           | [•]                   |
| <b>Total Debt</b>                        | <b>729.63</b>                   | <b>[•]</b>            |
| <b>Shareholders' Fund (Equity)</b>       |                                 |                       |
| Share Capital                            | 4,570.33                        | [•]                   |
| Reserves & Surplus                       | 6,642.12                        | [•]                   |
| <b>Total Shareholders' Fund (Equity)</b> | <b>11,212.45</b>                | <b>[•]</b>            |
| Long Term Debt/Equity                    | 0.01                            | [•]                   |
| <b>Total Debt/Equity</b>                 | <b>0.07</b>                     | <b>[•]</b>            |

**Notes:**

1. Short term Debts represent which are expected to be paid/payable within 12 months
2. Long term Debts represent debts other than Short term Debts as defined above
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.12.2023.



Deepak  
  
 Partner



## Integra Essentia Limited

Restated Notes forming part of Ind AS Standalone Financial Statements for the period and year ended December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021

### Company Overview

Integra Essentia Limited ("the Company") is a public limited company, incorporated and domiciled in India which mainly deals in trading of essential items like Cashew, Rice etc. The registered office of the Company is located at 602, 6th Floor, Pearls Best Height -II, Metraj Subhash Place, North West Delhi, India, 110034. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

### Note 1: Significant Accounting Policies

#### (a) Basis of Preparation of Financial Statements

##### (i) Statement of Compliance with Indian Accounting Standards (Ind AS)

These financial statements comply, in all material respects, with Ind AS notified under section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act.

##### (ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- Certain financial assets and liabilities that are measured at fair value
- Derivative financial instruments

##### (iii) Functional and Presentation Currency

These financial statements are presented in Indian Rupees, which is also the functional currency of the Company.

##### (iv) Current and Non-current Classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle (Twelve months) and other criteria set out in Schedule III to the Act.

##### (b) Property, Plant and Equipment (PPE) and Depreciation

All items of PPE are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non-refundable taxes and duties, directly attributable costs of bringing the asset to its present location and condition and initial estimate of costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the carrying amount of PPE or recognised as a separate PPE, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Machinery spares and servicing equipment are recognised as PPE when they meet the definition of PPE. Otherwise, such items are classified as inventory.

Capital work in progress includes cost of PPE under installation / under development as at the Balance Sheet date.

The Company depreciates its PPE over the useful life in the manner prescribed under Part C of Schedule II to the Act. Depreciation commences when the assets are ready for their intended use and is computed on pro-rata basis from the date of installation/ acquisition till the date of sale/ disposal. Management believes that useful life of assets are same as those prescribed in Schedule II to the Act, except for machinery spares wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II of the Act.

| Assets                 | Useful Life |
|------------------------|-------------|
| Plant & Machinery      | 5           |
| Furniture and Fixtures | 10 years    |
| Office Equipments      | 3 years     |
| Computer               | 3 years     |

Lease hold PPE are amortised over the period of lease or useful life, whichever is lower. Leasehold land (under Finance Lease) is amortised over the period of lease.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount.

These are included in the Statement of Profit and Loss.

##### (c) Intangible Assets and Amortisation

Intangible assets that are acquired by the Company, which have finite useful lives are measured at cost less amortisation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non-refundable taxes and duties, directly attributable costs of bringing the asset to its present location and condition.

Intangible assets are amortised on straight line basis over the estimated useful life.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount.

These are included in the Statement of Profit and Loss.

##### (d) Leases

At inception of a contract, company shall assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### Where the Company is Lessee

At the inception, lessee shall recognise and measure Right-of-use asset and lease liability at cost. Right to use assets shall comprise initial measurement of lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee; and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Lease liability is the present value of the lease payments that are not paid. These lease payments shall be discounted using the interest rate implicit in the lease (if readily determined) otherwise should be discounted at lessee's incremental borrowing rate.

If the lease contract transfers ownership of the underlying asset, at the end of the lease term or if, the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, then depreciate the right-of-use asset over the useful life of the underlying asset. Otherwise, depreciate the right-of-use asset till the end of the useful life of the right-of-use asset or the end of the lease term, whichever is earlier.

The lease term as the non-cancellable period of a lease, together with both: (a) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and (b) periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

Subsequently, lessee shall measure the right-of-use asset applying a cost model.

##### Where the Company is Lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight line basis over the term of the relevant lease.

##### (e) Borrowing Cost

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use. Other borrowing costs are expensed in the period in which they are incurred.



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**(f) Financial Instruments**

**(i) Financial Assets**

**Initial Recognition and Measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Subsequent Measurement**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, as per Ind AS 109.

**a. Subsequent Measurement - Equity Instruments**

All equity investments other than investments in subsidiaries, joint ventures and associates are measured at fair value. Equity investments which are held for trading are classified as FVTPL. For all other equity investments, the Company decides to classify the same either at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

Investment in equity instruments of subsidiaries, joint ventures and associates are measured at cost.

**b. Subsequent Measurement - Debt Instruments**

A financial asset being debt instrument that meets the following 2 conditions is measured at amortised cost (net off any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

**Business Model Test:** the objective of the Company's model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

**Cash Flow Characteristics Test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

A financial asset that meets the following 2 conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

**Business Model Test:** the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets.

**Cash Flow Characteristics Test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different basis.

All other debt instruments are measured at fair value through profit or loss.

**Derecognition of Financial Assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset, to another entity.

**Impairment of Financial Assets**

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and FVTOCI.

For financial assets other than trade receivables, whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, considering historical trend, industry practices and the business environment in which the Company operates or any other appropriate basis.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

**(ii) Equity and Financial Liabilities**

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

**a. Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

**b. Financial Liabilities**

**Initial Recognition and Measurement**

Financial liabilities are initially recognised at fair value plus any transaction costs that are attributable to the acquisition of the financial liabilities, except for the financial liabilities at FVTPL which are initially measured at fair value.

**Subsequent Measurement**

The financial liabilities are classified for subsequent measurement either at amortised cost or at fair value through Profit and Loss (FVTPL).

Amortised cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

**Derecognition of Financial Liabilities**

A financial liability is removed from the Balance Sheet when the obligation is discharged, or is cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

**(g) Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 — Inputs for the asset or liability that are not based on observable market data.

**(h) Inventories**

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The cost formula used for determination of cost is 'Weighted Average Cost'.

Machinery spares, stand-by equipment and servicing equipment are recognised as inventory when the useful life is less than one year and the same are charged to the Statement of Profit and Loss as and when issued for consumption.



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**(j) Income Tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The Company's liability for current tax is calculated using the Indian tax rates and laws that have been enacted by the reporting date. The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and provisions where appropriate.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and current tax liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax (MAT) credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**(l) Provisions and Contingencies Provisions**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Contingent Liabilities and Contingent Assets**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Contingent assets are not recognised in the financial statements. If the inflow of economic benefits is probable, then it is disclosed in the financial statements.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

**(k) Employee Benefits**

**(i) Short-term Obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

**(ii) Post-employment Obligations**

The Company operates the following post-employment schemes:

- (a) Defined benefit plan (Gratuity), and
- (b) Defined contribution plans such as, provident fund.

**Defined Benefit Plan**

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually on the basis of actuarial valuation using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in employee benefits expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

**Defined Contribution Plans**

Defined Contribution Plans such as provident fund are charged to the Statement of Profit and Loss as an expense, when an employee renders the related services.

**(iii) Other Long-term Employee Benefits**

The liabilities for compensated absences that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have any unconditional right to defer settlement for at least 12 months after the end of the reporting period, regardless of when the actual settlement is expected to occur.

**(l) Cash and Cash Equivalents**

For the purpose of presentation in the Statement of Cash Flows as well as the Balance Sheet, cash and cash equivalents include cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(m) Earnings per Share (EPS)**

Basic earnings per share are computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net off any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

**(n) Dividend Distribution to Equity Shareholders**

Dividend distributed to Equity shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid. Dividend proposed by the Board of Directors, subject to the approval of shareholders, is disclosed in the notes to financial statements.

**(o) Foreign Currency Transactions**

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

**(p) Revenue Recognition**

Effective from 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115-

'Revenue from contracts with customers'. Revenue from contracts with customers is recognized on transfer of control of promised goods or services to the customer at amount that reflects the consideration to which the company is expected to be entitled in exchange for those goods or services. Revenue towards satisfaction of performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of products is satisfied at a point in time when material is shipped / delivered to the customer as may be specified in the contract.



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**Interest Income**

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable effective interest rate.

**Dividend Income**

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

**Income from Services**

Income from services is recognised (net of taxes as applicable) as they are rendered, based on agreement/arrangement with the concerned customers.

**(g) Significant Accounting Estimates, Judgements and Assumptions:**

The preparation of the Company's financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

In the process of applying the Company's accounting policies, Management has made the following judgements which have significant effect on the amounts recognised in the financial statements:

- i. **Useful Lives of Property, Plant and Equipment:** Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalised. Useful life of tangible assets is based on the life specified in Schedule II of the Act and also as per Management estimate for certain category of assets. Assumption also needs to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the assets may be capitalised.
- ii. **Fair Value Measurement of Financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/judgements about these factors could affect the reported fair value of financial instruments.
- iii. **Measurement of Defined Benefit Plan:** The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- iv. **Impairment of Financial Assets:** Trade receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when Management deems them not collectable. Impairment is made on the expected credit loss model, which is the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about the risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.
- v. **Impairment of Non-financial Assets:** The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.
- vi. **Contingencies:** Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigation against the Company as it is not possible to predict the outcome of pending matters with accuracy.



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Sudhakar

**NOTE NO. 2**

**Property, Plant & Equipment as on 31st December, 2023**

[Rs. in Lakhs]

| Particulars                            | Gross Block         |                           |                             | Depreciation              |                     |                     |                           | Net Block                 | Net Block                          |
|--|---------------------|---------------------------|-----------------------------|---------------------------|---------------------|---------------------|---------------------------|---------------------------|------------------------------------|
|  | As at April 1, 2023 | Additions during the year | Deletions during the year * | As at 31st December, 2023 | As at April 1, 2023 | Charge for the Year | Deduction during the year | As at 31st December, 2023 | As at 31 <sup>st</sup> March, 2023 |
| <b>Property Plant &amp; Equipments</b> |                     |                           |                             |                           |                     |                     |                           |                           |                                    |
| Computer                               | 0.87                | 0.77                      | -                           | 1.64                      | 0.54                | 0.34                | -                         | 0.88                      | 0.76                               |
| Furniture & Fixtures                   | 1.74                | -                         | -                           | 1.74                      | 0.36                | 0.27                | -                         | 0.64                      | 1.10                               |
| Air Conditioner                        | 2.20                | -                         | -                           | 2.20                      | 0.85                | 0.47                | -                         | 1.32                      | 0.87                               |
| HP Laserjet Printer                    | 0.17                | 0.69                      | -                           | 0.86                      | 0.08                | 0.31                | -                         | 0.39                      | 0.47                               |
| Mobile Phone                           | 1.17                | 0.71                      | -                           | 1.88                      | 0.68                | 0.39                | -                         | 1.07                      | 0.81                               |
| Tally Prime Silver                     | 0.15                | -                         | -                           | 0.15                      | 0.09                | 0.02                | -                         | 0.12                      | 0.03                               |
| Land & building*                       | 3,000.00            | -                         | -                           | 3,000.00                  | -                   | 110.08              | -                         | 110.08                    | 2,889.92                           |
| Plant & Machinery*                     | 1,000.00            | -                         | -                           | 1,000.00                  | -                   | 136.40              | -                         | 136.40                    | 863.60                             |
| Vehicle                                | -                   | 143.20                    | -                           | 143.20                    | -                   | 29.73               | -                         | 29.73                     | 113.47                             |
|  | <b>4,006.30</b>     | <b>145.36</b>             | <b>-</b>                    | <b>4,151.65</b>           | <b>2.60</b>         | <b>278.01</b>       | <b>-</b>                  | <b>280.61</b>             | <b>3,871.04</b>                    |
|  |                     |                           |                             |                           |                     |                     |                           |                           | <b>4,003.70</b>                    |

**Property, Plant & Equipment as on March 31, 2023**

[Rs. in Lakhs]

| Particulars                            | Gross Block         |                           |                             | Depreciation          |                     |                     |                           | Net Block             | Net Block                          |
|--|---------------------|---------------------------|-----------------------------|-----------------------|---------------------|---------------------|---------------------------|-----------------------|------------------------------------|
|  | As at April 1, 2022 | Additions during the year | Deletions during the year * | As at 31st March 2023 | As at April 1, 2022 | Charge for the Year | Deduction during the year | As at 31st March 2023 | As at 31 <sup>st</sup> March, 2022 |
| <b>Property Plant &amp; Equipments</b> |                     |                           |                             |                       |                     |                     |                           |                       |                                    |
| Computer                               | 0.51                | 0.36                      | -                           | 0.87                  | -                   | 0.54                | -                         | 0.54                  | 0.33                               |
| Furniture & Fixtures                   | -                   | 1.74                      | -                           | 1.74                  | -                   | 0.36                | -                         | 0.36                  | 1.38                               |
| Air Conditioner                        | -                   | 2.20                      | -                           | 2.20                  | -                   | 0.85                | -                         | 0.85                  | 1.35                               |
| HP Laserjet Printer                    | -                   | 0.17                      | -                           | 0.17                  | -                   | 0.08                | -                         | 0.08                  | 0.10                               |
| Mobile Phone                           | -                   | 1.17                      | -                           | 1.17                  | -                   | 0.68                | -                         | 0.68                  | 0.49                               |
| Tally Prime Silver                     | 0.15                | -                         | -                           | 0.15                  | -                   | 0.09                | -                         | 0.09                  | 0.06                               |
| Land & building*                       | -                   | 3,000.00                  | -                           | 3,000.00              | -                   | -                   | -                         | -                     | 3,000.00                           |
| Plant & Machinery*                     | -                   | 1,000.00                  | -                           | 1,000.00              | -                   | -                   | -                         | -                     | 1,000.00                           |
|  | <b>0.66</b>         | <b>4,005.64</b>           | <b>-</b>                    | <b>4,006.30</b>       | <b>-</b>            | <b>2.60</b>         | <b>-</b>                  | <b>2.60</b>           | <b>4,003.70</b>                    |
|  |                     |                           |                             |                       |                     |                     |                           |                       | <b>0.66</b>                        |

\*Note: The Land & Building and Plant & Machinery purchased in Financial Year March 31, 2023, were put to use after the end of Financial Year, hence depreciation was not charged.

**Property, Plant & Equipment as on March 31, 2022**

[Rs. in Lakhs]

| Particulars                            | Gross Block         |                           |                             | Depreciation          |                     |                           |                           | Net Block             | Net Block                          |
|--|---------------------|---------------------------|-----------------------------|-----------------------|---------------------|---------------------------|---------------------------|-----------------------|------------------------------------|
|  | As at April 1, 2021 | Additions during the year | Deletions during the year * | As at 31st March 2022 | As at April 1, 2021 | Additions during the year | Deduction during the year | As at 31st March 2022 | As at 31 <sup>st</sup> March, 2022 |
| <b>Property Plant &amp; Equipments</b> |                     |                           |                             |                       |                     |                           |                           |                       |                                    |
| Computer                               | -                   | 0.60                      | -                           | 0.60                  | -                   | -                         | 0.09                      | 0.09                  | 0.51                               |
| Intangible Assets                      | -                   | 0.18                      | -                           | 0.18                  | -                   | -                         | 0.03                      | 0.03                  | 0.15                               |
|  |                     | <b>0.78</b>               | <b>-</b>                    | <b>0.78</b>           | <b>-</b>            | <b>-</b>                  | <b>0.12</b>               | <b>0.12</b>           | <b>0.66</b>                        |

**Property, Plant & Equipment as on March 31, 2021**

[Rs. in Lakhs]

| Particulars                            | Gross Block         |                           |                             | Depreciation          |                     |                           |                           | Net Block             | Net Block                          |
|--|---------------------|---------------------------|-----------------------------|-----------------------|---------------------|---------------------------|---------------------------|-----------------------|------------------------------------|
|  | As at April 1, 2020 | Additions during the year | Deletions during the year * | As at 31st March 2021 | As at April 1, 2020 | Additions during the year | Deduction during the year | As at 31st March 2021 | As at 31 <sup>st</sup> March, 2020 |
| <b>Property Plant &amp; Equipments</b> |                     |                           |                             |                       |                     |                           |                           |                       |                                    |
| Brand Computer                         | 2,400.00            | -                         | -                           | 2,400.00              | 2,382.00            | 18.00                     | -                         | 2,400.00              | -                                  |
| Intangible Assets                      | -                   | -                         | -                           | -                     | -                   | -                         | -                         | -                     | -                                  |
|  | <b>2,400.00</b>     | <b>-</b>                  | <b>-</b>                    | <b>2,400.00</b>       | <b>2,382.00</b>     | <b>18.00</b>              | <b>-</b>                  | <b>2,400.00</b>       | <b>-</b>                           |



Deepak

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 Parshaj Sodas

**NOTE NO. 3 Investments**

| Particulars          | [Rs in Lakhs]             |                       |                     |                     |
|----------------------|---------------------------|-----------------------|---------------------|---------------------|
|                      | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| Long Term Investment | 2,006.61                  | 1,310.51              | -                   | -                   |
|                      | 2,006.61                  | 1,310.51              | -                   | -                   |

Note: Investment in M/S Capital Infrastructure Ltd purchased from Nimbus Projects Ltd of 87,50,000 Zero % Non-Convertible Redeemable Preference Shares of Face Value of Rs 10 each (i.e., 62,50,000 Preference Shares at Rs 14.40 each redeemable on 23rd January 2025 at Rs 18.25 per share and 25,00,000 Preference Shares at Rs 12.00 each redeemable on 21st January 2025 at Rs 18.65)

**NOTE NO. 4 Loans and Advances Long Term**

| Particulars                  | [Rs in Lakhs]             |                       |                       |                       |
|------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                              | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Loans and Advances Long Term | 6,886.40                  | 5,976.89              | 0.00                  | 0.00                  |
|                              | 6886.40                   | 5976.89               | 0.00                  | 0.00                  |

**NOTE NO. 4a Other Financial Assets Non-Current**

| Particulars                | [Rs in Lakhs]             |                       |                       |                       |
|----------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                            | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Security Deposit-Long Term | -                         | 37.26                 | 0.00                  | 0.00                  |
|                            | 0.00                      | 37.26                 | 0.00                  | 0.00                  |

**NOTE NO. 5 Investments**

| Particulars                                  | [Rs in Lakhs]             |                       |                     |                     |
|--|---------------------------|-----------------------|---------------------|---------------------|
|  | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| Investments:                                 |                           |                       |                     |                     |
| Investments in RK Industries                 | -                         | -                     | -                   | -                   |
| Investments in Pt of Sarvaghar Foods Limited | 568.40                    | 681.17                | -                   | -                   |
|  | 568.40                    | 681.17                | -                   | -                   |

Note: The company become operating partner in M/s R X Industries on August 05th 2022 and acquired 66% share in the said partnership firm. The share of profit of partnership firm has been disclosed in Consolidated Financial Statements of Integra Essentia Ltd

**NOTE NO. 6 Trade Receivable**

| Particulars                                  | [Rs in Lakhs]             |                       |                     |                     |
|--|---------------------------|-----------------------|---------------------|---------------------|
|  | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| Trade Receivable considered good - Unsecured | 3208.79                   | 1034.79               | 789.70              | 9.78                |
|  | 3208.79                   | 1034.79               | 789.70              | 9.78                |

Trade receivables ageing schedule for the period ended as on 31st December, 2023:

| Particulars  | Outstanding for following periods from due date of payment |                    |               |             |                  | Total           |
|--|--|--------------------|---------------|-------------|------------------|-----------------|
|  | [Rs in Lakhs]  |                    |               |             |                  |                 |
|  | Less than 6 months   | 6 months to 1 year | 1 to 2 year   | 2 to 3 year | More than 3 year |                 |
| i) Undisputed Trade Receivables-Considered Good                                  | 2,173.48   | 805.16             | 230.14        | -           | -                | 3,208.79        |
| ii) Undisputed Trade Receivables- which have significant increase in credit risk | -  | -                  | -             | -           | -                | -               |
| iii) Undisputed Trade Receivables- credit impaired                               | -  | -                  | -             | -           | -                | -               |
| iv) Disputed Trade Receivables-Considered Good                                   | -  | -                  | -             | -           | -                | -               |
| v) Disputed Trade Receivables- which have significant increase in credit risk    | -  | -                  | -             | -           | -                | -               |
| vi) Disputed Trade Receivables- credit impaired                                  | -  | -                  | -             | -           | -                | -               |
| <b>Total</b>   | <b>2,173.48</b>  | <b>805.16</b>      | <b>230.14</b> | -           | -                | <b>3,208.79</b> |

Trade receivables ageing schedule for the period ended as on March 31, 2023:

| Particulars  | Outstanding for following periods from due date of payment |                    |              |             |                  | Total           |
|--|--|--------------------|--------------|-------------|------------------|-----------------|
|  | [Rs in Lakhs]  |                    |              |             |                  |                 |
|  | Less than 6 months   | 6 months to 1 year | 1 to 2 year  | 2 to 3 year | More than 3 year |                 |
| i) Undisputed Trade Receivables-Considered Good                                  | 955.79   | 52.50              | 26.51        | -           | -                | 1,034.79        |
| ii) Undisputed Trade Receivables- which have significant increase in credit risk | -  | -                  | -            | -           | -                | -               |
| iii) Undisputed Trade Receivables- credit impaired                               | -  | -                  | -            | -           | -                | -               |
| iv) Disputed Trade Receivables-Considered Good                                   | -  | -                  | -            | -           | -                | -               |
| v) Disputed Trade Receivables- which have significant increase in credit risk    | -  | -                  | -            | -           | -                | -               |
| vi) Disputed Trade Receivables- credit impaired                                  | -  | -                  | -            | -           | -                | -               |
| <b>Total</b>   | <b>955.79</b>  | <b>52.50</b>       | <b>26.51</b> | -           | -                | <b>1,034.79</b> |



*Devesh*  
*[Signature]*  
*[Signature]*  
*[Signature]*

Trade receivables ageing schedule for the period ended as on March 31, 2022:

| Particulars  | Outstanding for following periods from due date of payment |                    |             |             |                  | Total         |
|--|--|--------------------|-------------|-------------|------------------|---------------|
|  | Less than 6 months   | 6 months to 1 year | 1 to 2 year | 2 to 3 year | More than 3 year |               |
| i) Undisputed Trade Receivables-Considered Good                                  | 789.70   | -                  | -           | -           | -                | 789.70        |
| ii) Undisputed Trade Receivables- which have significant increase in credit risk | -  | -                  | -           | -           | -                | -             |
| iii) Undisputed Trade Receivables- credit impaired                               | -  | -                  | -           | -           | -                | -             |
| iv) Disputed Trade Receivables-Considered Good                                   | -  | -                  | -           | -           | -                | -             |
| v) Disputed Trade Receivables- which have significant increase in credit risk    | -  | -                  | -           | -           | -                | -             |
| vi) Disputed Trade Receivables- credit impaired                                  | -  | -                  | -           | -           | -                | -             |
| <b>Total</b>   | <b>789.70</b>  | <b>-</b>           | <b>-</b>    | <b>-</b>    | <b>-</b>         | <b>789.70</b> |

Trade receivables ageing schedule for the period ended as on March 31, 2021:

| Particulars  | Outstanding for following periods from due date of payment |                    |             |             |                  | Total       |
|--|--|--------------------|-------------|-------------|------------------|-------------|
|  | Less than 6 months   | 6 months to 1 year | 1 to 2 year | 2 to 3 year | More than 3 year |             |
| i) Undisputed Trade Receivables-Considered Good                                  | -  | -                  | -           | -           | -                | -           |
| ii) Undisputed Trade Receivables- which have significant increase in credit risk | -  | -                  | -           | -           | 9.78             | 9.78        |
| iii) Undisputed Trade Receivables- credit impaired                               | -  | -                  | -           | -           | -                | -           |
| iv) Disputed Trade Receivables-Considered Good                                   | -  | -                  | -           | -           | -                | -           |
| v) Disputed Trade Receivables- which have significant increase in credit risk    | -  | -                  | -           | -           | -                | -           |
| vi) Disputed Trade Receivables- credit impaired                                  | -  | -                  | -           | -           | -                | -           |
| <b>Total</b>   | <b>-</b>   | <b>-</b>           | <b>-</b>    | <b>-</b>    | <b>9.78</b>      | <b>9.78</b> |

NOTE NO. 7 Cash & Cash Equivalents

| Particulars   | [Rs in Lakhs]             |                       |                     |                     |
|---------------|---------------------------|-----------------------|---------------------|---------------------|
|               | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| Cash in hand  | 1.51                      | 17.77                 | 17.18               | 0.43                |
| Bank Balances | 370.76                    | 532.95                | 21.54               | -                   |
|               | <b>372.27</b>             | <b>550.72</b>         | <b>38.72</b>        | <b>0.43</b>         |

NOTE NO. 8 Bank Balances other than Cash & Cash Equivalents

| Particulars                             | [Rs in Lakhs]             |                       |                     |                     |
|---|---------------------------|-----------------------|---------------------|---------------------|
|   | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| Margin Money with Banks (Fixed Deposit) | 5.70                      | 5.70                  | 5.35                | 3.38                |
|   | <b>5.70</b>               | <b>5.70</b>           | <b>5.35</b>         | <b>3.38</b>         |

Note: Note: The company has preferred an appeal before the Honorable High Court Madras vide W.P No-430 of 2020, The case is under process as on the date

NOTE NO. 9 Loans and Advances

| Particulars      | [Rs in Lakhs]             |                       |                     |                     |
|------------------|---------------------------|-----------------------|---------------------|---------------------|
|                  | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| Loans & Advances | 1,019.80                  | 2,287.40              | 0.35                | -                   |
|                  | <b>1,019.80</b>           | <b>2,287.40</b>       | <b>0.35</b>         | <b>-</b>            |

\*Rs 1090 Lakhs were invested in MBR Apparels Ltd for Joint Development and Construction of Project at Land Situated at village Ujwa admeasuring about 2.4 Acres, which was later on cancelled and hence regrouped as Loan.

\*Loans receivable includes Rs 410 Lakhs recoverable from M/s KK Continental Trade Ltd being Capital Advance towards the agreement for purchase of the Land situated at village Talwandi Rana Tehsil and Distt. Hissar, which was later on cancelled.

\*Loans receivable includes Rs 325 Lakhs recoverable from M/s Jindal Oil & Fats Ltd being Capital Advance towards the agreement for purchase of the Land and

Building situated at 9th Km Stone, Chandigarh Road, Talwandi, which was later on cancelled.

\*Out of Rs 8254.29 Lakhs, Rs 4791.86 Lakhs is Given to Advik Capital Ltd, Rs 1186 Lakhs is given to SA Global Ltd. and Rs 500 Lakhs was given to Kohinoor Foods Ltd.

NOTE NO. 10 Other Financial Assets

| Particulars       | [Rs in Lakhs]             |                       |                     |                     |
|-------------------|---------------------------|-----------------------|---------------------|---------------------|
|                   | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| Security Deposits | 1.30                      | 100.60                | 0.60                | -                   |
| Advance Tax       | -                         | -                     | -                   | 0.09                |
|                   | <b>1.30</b>               | <b>100.60</b>         | <b>0.60</b>         | <b>0.09</b>         |

Note: Out of Rs 100.60 Lakhs, Rs 99.75 Lakhs is the Security towards Right Issue.

NOTE NO. 11 Other Current Assets

| Particulars                         | [Rs in Lakhs]             |                       |                     |                     |
|-------------------------------------|---------------------------|-----------------------|---------------------|---------------------|
|                                     | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| Balance with Government Authorities | 240.61                    | 96.70                 | -                   | -                   |
| Advances to Supplier                | 398.17                    | 4.61                  | 830.07              | -                   |
| Other Advances Recoverables         | -                         | -                     | 16.24               | -                   |
| Other Financial Assets              | -                         | -                     | -                   | 0.05                |
|                                     | <b>638.78</b>             | <b>101.40</b>         | <b>852.91</b>       | <b>0.05</b>         |

NOTE NO. 12 Equity Share Capital

| PARTICULARS   | [Rs in Lakhs]             |                       |                     |                     |
|---|---------------------------|-----------------------|---------------------|---------------------|
|   | As at 31st December, 2023 | As at 31st March 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
| <b>Share Capital Authorised</b>   |                           |                       |                     |                     |
| 1,25,00,000.00 Equity shares of Rs. 1 each (Previous year 60,00,000.00 Equity shares of Rs 1 Each)        | 12,500.00                 | 6,000.00              | 4,100.00            | 1,200.00            |
| <b>Issued, Subscribed and Paid up</b>   |                           |                       |                     |                     |
| 10,89,97,047 Fully paid equity shares of Rs 1 Each (Previous year 3,63,32,349 Equity shares of Rs 3 each) | 1,089.97                  | 1,089.97              | 1,089.97            | 1,089.97            |
| 34,80,35,956 Fully paid equity shares of Rs 1 Each  | 3,480.36                  | 3,480.36              | -                   | -                   |
|   | <b>4,570.33</b>           | <b>4,570.33</b>       | <b>1,089.97</b>     | <b>1,089.97</b>     |



Deepak  
Rashmi Gargan

Reconciliation of number of Ordinary (Equity) Shares and amount outstanding:

| Particulars                             | As at 31st December, 2023 |          | As at 31st March 2023 |          | As at 31st Mar 2022 |          | As at 31st Mar 2021 |        |
|---|---------------------------|----------|-----------------------|----------|---------------------|----------|---------------------|--------|
|   | No. of Shares             | Amount   | No. of Shares         | Amount   | No. of Shares       | Amount   | No. of Shares       | Amount |
| Equity Share:                           |                           |          |                       |          |                     |          |                     |        |
| Balance as at the beginning of the year | 45,70,33,003              | 4,570.33 | 10,89,97,047          | 1,089.97 | 10,89,97,047        | 1,089.97 | 3,63,32,349         | 363.32 |
| Add: Issued during the year for Cash    |                           |          | 34,80,35,956          | 3,480.36 |                     |          |                     |        |
| Add: Issued during the year as Bonus    |                           |          |                       |          |                     |          |                     |        |
| Balance as at the end of the year       | 45,70,33,003              | 4,570.33 | 45,70,33,003          | 4,570.33 | 10,89,97,047        | 1,089.97 | 3,63,32,349         | 363.32 |

Note: The Company has received proceeds of Right issue in year ended March 2023, wherein fully paid 27,66,84,812 equity shares of Rs. 1/- each at a premium of Rs. 0.80/- per share and 7,13,51,144 equity shares of Rs 1/- each at a premium of Rs 6/- per share, allotted on Rights basis to the eligible shareholders, in its Bank Account. The company has deployed these funds as per the subjects of Right Issue.

Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

| Name of Shareholder                                 | As at 31st December, 2023 |              |               | As at 31st March 2023 |               |              | As at 31st Mar 2022 |              |               | As at 31st Mar 2021 |               |              |
|---|---------------------------|--------------|---------------|-----------------------|---------------|--------------|---------------------|--------------|---------------|---------------------|---------------|--------------|
|   | No. of Shares             | % of Holding | No. of Shares | % of Holding          | No. of Shares | % of Holding | No. of Shares       | % of Holding | No. of Shares | % of Holding        | No. of Shares | % of Holding |
| /Rohesh Gupta                                       | 9,51,22,846               | 20.81%       | 9,51,22,846   | 20.81%                | 6,92,72,445   | 63.55%       | -                   | 0.00%        | -             | 0.00%               | -             | 0.00%        |
| Just Right Life Limited                             | -                         | 0.00%        | 2,56,89,619   | 5.62%                 | -             | 0.00%        | -                   | 0.00%        | -             | 0.00%               | -             | 0.00%        |
| Atok Primal Group Textile Trust Through its Trustee | -                         | 0.00%        | -             | 0.00%                 | -             | 0.00%        | 2,14,74,112         | 59.10%       | -             | 0.00%               | -             | 0.00%        |
| Total   | 9,51,22,846               | 20.81%       | 12,08,12,465  | 26.43%                | 6,92,72,445   | 63.55%       | 2,14,74,112         | 59.10%       | -             | 0.00%               | -             | 0.00%        |

Disclosure of Shareholding of Promoter

| Name of Promoter                                    | As at 31st December, 2023 |              |               | As at 31st March 2023 |               |              | As at 31st Mar 2022 |              |               | As at 31st Mar 2021 |               |              |
|---|---------------------------|--------------|---------------|-----------------------|---------------|--------------|---------------------|--------------|---------------|---------------------|---------------|--------------|
|   | No. of Shares             | % of Holding | No. of Shares | % of Holding          | No. of Shares | % of Holding | No. of Shares       | % of Holding | No. of Shares | % of Holding        | No. of Shares | % of Holding |
| /Rohesh Gupta                                       | 9,51,22,846               | 20.81%       | 9,51,22,846   | 20.81%                | 6,92,72,445   | 63.55%       | -                   | 0.00%        | -             | 0.00%               | -             | 0.00%        |
| Atok Primal Group Textile Trust Through its Trustee | -                         | 0.00%        | -             | 0.00%                 | -             | 0.00%        | 2,14,74,112         | 59.10%       | -             | 0.00%               | -             | 0.00%        |
| Total   | 9,51,22,846               | 20.81%       | 9,51,22,846   | 20.81%                | 6,92,72,445   | 63.55%       | 2,14,74,112         | 59.10%       | -             | 0.00%               | -             | 0.00%        |



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**NOTE NO. 12A Utilisation of Right Issue Proceeds**

**Right Issue 1:**

During the Financial year Ended March 31, 2023, The Company has brought first Right Issue on 20th June, 2022, wherein fully paid 27,66,84,812 equity shares of Rs. 1/- each at a premium of Rs. 0.80/- per share allotted on Rights basis to the eligible shareholders. The company has deployed these funds as per the objects of Right Issue.

A. Proceeds from subscription to the Issue of Equity shares under Rights Issue 1 of 2022-23, made during the year ended March 31, 2023 have been utilised in the following manner:

| Objects Right Issue |  | (In Lakhs)      |                   |         |
|---------------------|--|-----------------|-------------------|---------|
| S.No.               | Particulars                              | Amounts         | Objects Fulfilled | Balance |
| 1                   | Meeting Working Capital Requirements     | 3,615.00        | 3,615.00          | -       |
| 2                   | General corporate purposes               | 1,230.00        | 1,230.00          | -       |
| 3                   | Issue related expenses                   | 135.33          | 135.33            | -       |
|                     | <b>Total</b>                             | <b>4,980.33</b> | <b>4,980.33</b>   | -       |
|                     | Less: Non Receipts of Call Money         | -               | -                 | -       |
|                     | <b>Net Proceeds from the Right Issue</b> | <b>4,980.33</b> | <b>4,980.33</b>   | -       |

**Right Issue 2:**

During the Financial year Ended March 31, 2023, The Company has brought its second Right Issue on 20th December, 2022, wherein fully paid 7,13,51,144 equity shares of Rs 1/- each at a premium of Rs 6/- per share, allotted on Rights basis to the eligible shareholders. The company has deployed these funds as per the objects of Right Issue.

A. Proceeds from subscription to the Issue of Equity shares under Rights Issue 2 of 2022-23, made during the year ended March 31, 2023 have been utilised in the following manner:

| Objects Right Issue |  | (In Lakhs)      |                   |              |
|---------------------|--|-----------------|-------------------|--------------|
| S.No.               | Particulars                              | Amounts         | Objects Fulfilled | Balance      |
| 1                   | Meeting Working Capital Requirements     | 3,700.00        | 3,700.00          | -            |
| 2                   | General corporate purposes               | 1,234.58        | 1,234.58          | -            |
| 3                   | Issue related expenses                   | 60.00           | 26.32             | 33.68        |
|                     | <b>Total</b>                             | <b>4,994.58</b> | <b>4,960.90</b>   | <b>33.68</b> |
|                     | Less: Non Receipts of Call Money         | -               | -                 | -            |
|                     | <b>Net Proceeds from the Right Issue</b> | <b>4,994.58</b> | <b>4,960.90</b>   | <b>33.68</b> |

**Note:**

The Proceeds from both Right Issues during the year for the purpose of of meeting working capital requirements were utilized in working capital of the Company by payment to outstanding suppliers and advance payment to suppliers for purchase of goods.

During the year, the company had invested the money out of internal accruals which are temporary in nature and management estimates and plans to liquidate the investments and utilize the amount in working capital as and when required.



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**NOTE NO. 13 Other Equity**

| Particulars  | [Rs in Lakhs]             |                       |                       |                       |
|--|---------------------------|-----------------------|-----------------------|-----------------------|
|  | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| <b>a) General Reserve</b>  |                           |                       |                       |                       |
| Opening Balance  | 151.25                    | 151.25                | 151.25                | 151.25                |
| Additions during the period                                      | -                         | -                     | -                     | -                     |
| Closing Balance  | <b>151.25</b>             | <b>151.25</b>         | <b>151.25</b>         | <b>151.25</b>         |
| <b>b) Profit &amp; Loss Account</b>                              |                           |                       |                       |                       |
| Opening balance  | (3,519.79)                | (4,152.02)            | (4,260.86)            | (4,200.31)            |
| Profit/(Loss) for theyear  | 935.07                    | 660.48                | 108.83                | (60.55)               |
| Discounting for Financial Asset                                  | 22.74                     | (28.24)               | -                     | -                     |
| Closing Balance  | <b>(2,561.98)</b>         | <b>(3,519.79)</b>     | <b>(4,152.02)</b>     | <b>(4,260.86)</b>     |
| <b>b) Security Premium</b>                                       |                           |                       |                       |                       |
| Opening balance  | 6,332.90                  | -                     | -                     | -                     |
| Additions during the period on account of issue of equity shares | -                         | 6,494.55              | -                     | -                     |
| Redemption of Debenture  | -                         | -                     | -                     | -                     |
| Right issue Expenses   | 48.75                     | 161.65                | -                     | -                     |
| Closing Balance  | 6,284.15                  | 6,332.90              | -                     | -                     |
| <b>d) Other Comprehensive Income</b>                             |                           |                       |                       |                       |
| Opening balance  | -                         | -                     | -                     | -                     |
| Additions during the period on account of Issue of equity shares | 73.71                     | -                     | -                     | -                     |
| Closing Balance  | <b>73.71</b>              | -                     | -                     | -                     |
| <b>e) Capital Reserve</b>  |                           |                       |                       |                       |
| Opening balance  | -                         | -                     | -                     | -                     |
| Additions during the period on account of Issue of equity shares | 2,695.00                  | -                     | -                     | -                     |
| Closing Balance  | <b>2,695.00</b>           | -                     | -                     | -                     |
| <b>Total Other Equity</b>  | <b>6,642.12</b>           | <b>2,964.35</b>       | <b>(4,000.78)</b>     | <b>(4,109.61)</b>     |

**Nature and Purpose of Reserve**

**a) General Reserve**

General Reserve has been created on account of the Scheme of Amalgamation.

**b) Profit and loss account**

Profit and loss account are the losses which company incurred till date.

**c) Security Premium**

Security Premium is the amount received over and above the Face Value of the Shares Issued.



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**NOTE NO. 14 Borrowings**

[Rs in Lakhs]

| Particulars   | As at 31st<br>December, 2023 | As at 31st<br>March 2023 | As at 31st<br>March 2022 | As at 31st<br>March 2021 |
|---|------------------------------|--------------------------|--------------------------|--------------------------|
| <b>Vehicle Loan</b>   |                              |                          |                          |                          |
| <b>ICICI Bank</b>   | <b>82.76</b>                 | -                        | -                        | -                        |
| <b>Others</b>   |                              |                          |                          |                          |
| <b>Preference Shares</b>  |                              |                          |                          |                          |
| 1,00,000 (Previous year 1,00,000 ) 5% Redeemable cumulative Non convertible preference shares of ` 1 each | 1.00                         | 1.00                     | 1.00                     | 1.00                     |
| 1,50,000 (Previous year 1,50,000) 9% Redeemable cumulative Non convertible preference shares of ` 1 each  | 1.50                         | 1.50                     | 1.50                     | 1.50                     |
| <b>Total</b>  | <b>85.26</b>                 | <b>2.50</b>              | <b>2.50</b>              | <b>2.50</b>              |
| <b>Details of Preference Shares</b>   |                              |                          |                          |                          |
| <b>Authorised :</b>   |                              |                          |                          |                          |
| 5,00,000 (Previous year 5,00,000) Redeemable Cumulative Non Convertible Preference Shares of ` 1 each     | 5.00                         | 5.00                     | 5.00                     | 5.00                     |
|   | <b>5.00</b>                  | <b>5.00</b>              | <b>5.00</b>              | <b>5.00</b>              |
| <b>Issued, subscribed and Paid-up:</b>  |                              |                          |                          |                          |
| 1,00,000 (Previous year 1,00,000) 5% Redeemable cumulative Non convertible preference shares of ` 1 each  | 1.00                         | 1.00                     | 1.00                     | 1.00                     |
| 1,50,000 (Previous year 1,50,000) 9% Redeemable cumulative Non convertible preference shares of ` 1 each  | 1.50                         | 1.50                     | 1.50                     | 1.50                     |
|   | <b>2.50</b>                  | <b>2.50</b>              | <b>2.50</b>              | <b>2.50</b>              |
| <b>The Reconciliation of the number of Preference shares outstanding is given below:</b>                  |                              |                          |                          |                          |
| <b>Preference Shares</b>  |                              |                          |                          |                          |
| 5% Preference Shares at the beginning of the year   | 1.00                         | 1.00                     | 1.00                     | 1.00                     |
| 5% Preference Shares outstanding at the end of the year   | 1.00                         | 1.00                     | 1.00                     | 1.00                     |
| 9% Preference Shares at the beginning of the year   | 1.50                         | 1.50                     | 1.50                     | 1.50                     |
| 9% Preference Shares outstanding at the end of the year   | 1.50                         | 1.50                     | 1.50                     | 1.50                     |
| <b>Shareholders holding more than 5% Preference shares of the Company</b>                                 |                              |                          |                          |                          |
| <b>Vishesh Gupta</b>  |                              |                          |                          |                          |
| Nos of Shares   | 2,50,000.00                  | 2,50,000.00              | 2,50,000.00              |                          |
| % age of holding  | 100.00                       | 100.00                   | 100.00                   |                          |
| <b>Urvi A Piramal</b>   |                              |                          |                          |                          |
| Nos of Shares   |                              |                          |                          | 2,50,000.00              |
| % age of holding  |                              |                          |                          | 100.00                   |



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**NOTE NO. 15 Deferred Tax Assets/ Liabilities**

| Particulars   | [Rs in Lakhs]             |                       |                       |                       |
|---|---------------------------|-----------------------|-----------------------|-----------------------|
|   | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| WDV as per Companies Act, 2013 as on 31st March 2023  | 981.12                    | 3.70                  | 0.66                  | -                     |
| WDV as per Income Tax Act, 1961 as on 31st March 2023 | 977.52                    | 4.75                  | 0.64                  | -                     |
| Closing Balance                                       | 3.60                      | (1.07)                | 0.02                  | -                     |
| Deferred Tax Assets/Liability                         | 0.91                      | (0.27)                | 0.01                  | -                     |

**Reconciliation of Deferred Tax Assets/Liabilities**

| Particulars   | [Rs in Lakhs]             |                      |                      |                      |
|---|---------------------------|----------------------|----------------------|----------------------|
|   | As at 31st December, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
| Opening balance   | (0.27)                    | 0.01                 | -                    | -                    |
| Tax credit during the year recognised in Statement of profit and loss | 1.18                      | (0.27)               | 0.01                 | -                    |
| Closing Balance   | 0.91                      | (0.27)               | 0.01                 | -                    |

**NOTE NO. 16 Borrowings**

| Particulars  | [Rs in Lakhs]             |                       |                       |                       |
|--|---------------------------|-----------------------|-----------------------|-----------------------|
|  | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Other Loans  |                           |                       |                       |                       |
| Unsecured Loans  |                           |                       |                       |                       |
| Secured Loans  | 11.83                     |                       |                       |                       |
| Debentures   |                           | 2,845.00              | 2,845.00              | 2,845.00              |
| (2845 Unsecured, non convertible Redeemable Debenture of ₹10000/- each are Redeemable with 2% premium on 1 July, 2020 has been further renewed for 12 months and now Redeem- able on 1 July, 2023) |                           |                       |                       |                       |
| Banks Deposits   | 632.54                    | 600.60                | 27.03                 | 14.30                 |
|  | 644.37                    | 3,445.60              | 2,872.03              | 2,859.30              |

The company in its board meeting held on 20th September 2023 considered and approved the redemption of debentures which were originally issued by the company on July 01, 2013 as per the offer negotiated with the NCDs holder for a Lump-sum payment of at Rs. 150 Lakh towards full and final settlement/redemption of the entire 2845 Debentures Unsecured, non-convertible Redeemable Debenture of Rs. 100Thousand each. The company has redeemed its debenture to the tune of Rs 2845 Lakh during the Quarter and Nine Month ended 31st December, 2023.Said redemption of debenture accrues sum of Rs 2695 Lakh Reserves which is included in the Other equity.

**NOTE NO. 17 Trade Payable**

| Particulars  | [Rs in Lakhs]             |                       |                       |                       |
|--|---------------------------|-----------------------|-----------------------|-----------------------|
|  | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Outstanding dues of micro enterprises and small enterprises                      | 2,294.46                  | 2,018.70              | 1,425.75              | -                     |
| Outstanding dues of creditors other than micro enterprises and small enterprises | 2,567.26                  | 389.55                | 16.87                 | 2.13                  |
|  | 4,861.72                  | 2,408.26              | 1,442.61              | 2.13                  |

**Trade payables ageing schedule for the year ended as on 31st December, 2023, March 31, 2023 & March 31, 2022, March 31, 2021**

| Particulars                     | [Rs in Lakhs]    |             |             |                   |          |
|---------------------------------|------------------|-------------|-------------|-------------------|----------|
|                                 | Less than 1 year | 1 to 2 year | 2 to 3 year | More than 3 years | Total    |
| <b>Outstanding dues to MSME</b> |                  |             |             |                   |          |
| 31st December, 2023             | 2,294.46         | -           | -           | -                 | 2,294.46 |
| 31st March, 2023                | 2,018.70         | -           | -           | -                 | 2,018.70 |
| 31st March, 2022                | 1,425.75         | -           | -           | -                 | 1,425.75 |
| 31st March, 2021                | -                | -           | -           | -                 | -        |
| <b>Others</b>                   |                  |             |             |                   |          |
| 31st December, 2023             | 2,567.26         | -           | -           | -                 | 2,567.26 |
| 31st March, 2023                | 389.55           | -           | -           | -                 | 389.55   |
| 31st March, 2022                | 16.87            | -           | -           | -                 | 16.87    |
| 31st March, 2021                | 2.13             | -           | -           | -                 | 2.13     |
| <b>Total trade payables</b>     |                  |             |             |                   |          |
| 31st December, 2023             | 4,861.72         | -           | -           | -                 | 4,861.72 |
| 31st March, 2023                | 2,408.26         | -           | -           | -                 | 2,408.26 |
| 31st March, 2022                | 1,442.61         | -           | -           | -                 | 1,442.61 |
| 31st March, 2021                | 2.13             | -           | -           | -                 | 2.13     |

**NOTE NO. 18 Other Financial Liabilities**

| Particulars                          | [Rs in Lakhs]             |                       |                       |                       |
|--------------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                                      | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Interest Accrued but not due         | -                         | 165.86                | 161.50                | 163.39                |
| Dividend on Preference share payable | 2.39                      | 2.25                  | 2.07                  | -                     |
|                                      | 2.39                      | 168.11                | 163.57                | 163.39                |

**NOTE NO. 19 Other Current Liabilities**

| Particulars               | [Rs in Lakhs]             |                       |                       |                       |
|---------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                           | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Statutory Liability       | 5.51                      | 36.40                 | 1.21                  | 0.10                  |
| Other current liabilities | -                         | -                     | 11.05                 | 7.93                  |
| Expenses Payable          | 6.35                      | 3.06                  | -                     | -                     |
| Advance From Customers    | 1,444.98                  | 2,433.60              | 105.22                | -                     |
|                           | 1,456.43                  | 2,473.06              | 117.48                | 8.02                  |

**NOTE NO. 20 Provisions**

| Particulars        | [Rs in Lakhs]             |                       |                       |                       |
|--------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                    | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Audit Fees Payable | 0.68                      | 0.90                  | 0.90                  | -                     |
|                    | 0.68                      | 0.90                  | 0.90                  | -                     |

**NOTE NO. 21 Current Tax Liabilities (Net)**

| Particulars                   | [Rs in Lakhs]             |                       |                       |                       |
|-------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
|                               | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
| Provisions for Income Tax     | 314.89                    | 57.30                 | -                     | -                     |
| Provisions for Income Tax CPT | 314.89                    | 57.30                 | -                     | -                     |



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**NOTE NO. 22 Revenue From Operation**

[Rs in Lakhs]

| Particulars             | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|-------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| Revenue from operations | 18,395.28                 | 24,141.41             | 6,852.54              | -                     |
|                         | <b>18,395.28</b>          | <b>24,141.41</b>      | <b>6,852.54</b>       | -                     |

**NOTE NO. 23 Other Income**

[Rs in Lakhs]

| Particulars                    | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|--------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| Interest on Loans and Advances | 376.16                    | 293.96                | 0.35                  | -                     |
| Balances written back          | -                         | -                     | 7.92                  | -                     |
| FACILITATION CHARGES           | 15.94                     | -                     | -                     | -                     |
| Lease Rent                     | 67.50                     | -                     | -                     | -                     |
| Rebates and discounts received | 26.82                     | 2.00                  | -                     | -                     |
| Unrealised Profit              | 448.63                    | 112.77                | -                     | -                     |
| Other Income                   | 166.69                    | -                     | -                     | 0.41                  |
|                                | <b>1,101.74</b>           | <b>408.73</b>         | <b>8.28</b>           | <b>0.41</b>           |

**NOTE NO. 24 Material Consumed**

[Rs in Lakhs]

| Particulars                     | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|---------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| Material Consumed - Fabric      |                           |                       |                       |                       |
| Opening Stock                   |                           |                       |                       |                       |
| Less : Devaluation of Inventory |                           |                       |                       | 1.30                  |
| Add: Purchase during the year   |                           |                       |                       |                       |
| Less: Closing Stock             |                           |                       |                       |                       |
|                                 | -                         | -                     | -                     | <b>1.30</b>           |

**NOTE NO. 25 Purchase of Stock in Trade**

[Rs in Lakhs]

| Particulars                | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|----------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| Purchase of Stock in Trade | 17,714.09                 | 23,555.49             | 6,641.80              | -                     |
| Direct Expense             | 2.47                      | 6.18                  | -                     | -                     |
|                            | <b>17,716.56</b>          | <b>23,561.67</b>      | <b>6,641.80</b>       | -                     |

**NOTE NO. 26 Change in inventory of finished goods, work in progress and stock in trade**

[Rs in Lakhs]

| Particulars                       | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|-----------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| Opening Stock                     |                           |                       |                       |                       |
| WIP                               |                           |                       |                       |                       |
| Finished Goods                    |                           |                       |                       |                       |
| Closing Stock                     | -                         | -                     | -                     | -                     |
| WIP                               |                           |                       |                       |                       |
| Finished Goods                    |                           |                       |                       |                       |
| (Increase) / Decrease in WIP & FG |                           |                       |                       |                       |
| Net (Increase) / Decrease         | -                         | -                     | -                     | -                     |

**NOTE NO. 27 Employee Benefit Expenses**

[Rs in Lakhs]

| Particulars            | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| Salaries and Wages     | 39.95                     | 34.13                 | 7.13                  | -                     |
| Directors Remuneration | 14.80                     | 14.85                 | 12.77                 | -                     |
| Staff Welfare Expenses | 0.69                      | 0.55                  | 0.12                  | -                     |
|                        | <b>55.44</b>              | <b>49.53</b>          | <b>20.02</b>          | -                     |



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**NOTE NO. 28 Finance Cost**

[Rs in Lakhs]

| Particulars              | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|--------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| Interest on Others       | 42.04                     | -                     | -                     | 26.33                 |
| Premium On Debenture     | -                         | -                     | 4.36                  | -                     |
| Dividend on Pref. shares | 0.14                      | 0.19                  | 0.19                  | -                     |
| Bank Charges             | 0.18                      | 0.04                  | 0.03                  | 0.00                  |
|                          | <b>42.35</b>              | <b>0.23</b>           | <b>4.57</b>           | <b>26.33</b>          |

**NOTE NO. 29 Other Expenses**

[Rs in Lakhs]

| Particulars                  | As at 31st December, 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| Freight                      | 66.86                     | 161.22                | -                     | -                     |
| Power & Fuel (Electricity)   | 0.46                      | 0.42                  | -                     | 0.04                  |
| Rent Expenses                | 4.37                      | 38.99                 | 5.83                  | 1.85                  |
| Telephone Expenses           | 0.37                      | 0.33                  | 0.01                  | -                     |
| Travelling & Conveyance      | 0.84                      | 0.47                  | -                     | 0.04                  |
| Legal & Professional Charges | 36.63                     | 13.28                 | 26.60                 | 2.17                  |
| Interest on Income Tax       | 0.71                      | -                     | -                     | -                     |
| Interest on TDS              | 0.73                      | 0.41                  | -                     | -                     |
| Auditor's Remuneration       | 2.25                      | 3.10                  | 1.00                  | 0.25                  |
| Repair & Maintenance         | 0.59                      | 0.59                  | -                     | -                     |
| Loading & Unloading          | 29.74                     | -                     | -                     | -                     |
| Miscellaneous Expenses       | 12.29                     | (0.20)                | 52.02                 | 10.98                 |
|                              | <b>155.84</b>             | <b>218.62</b>         | <b>85.46</b>          | <b>15.33</b>          |



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(Amount in Lakhs, except No. of Shares)

| NOTE NO. 30: Earning Per Share        | As at 31st<br>December, 2023 | As at March 31,<br>2023 | As at March 31, 2022 | As at March 31,<br>2021 |
|---------------------------------------|------------------------------|-------------------------|----------------------|-------------------------|
| <b>Basic EPS</b>                      |                              |                         |                      |                         |
| Profit for the year                   | 935.07                       | 660.48                  | 108.83               | -60.55                  |
| Weighted number of shares outstanding | 45,70,33,003                 | 45,70,33,003            | 10,89,97,047         | 3,63,32,349             |
| Basic and Diluted EPS (Rs.)           | 0.20                         | 0.14                    | 0.10                 | -0.17                   |
| <b>Diluted EPS</b>                    |                              |                         |                      |                         |
| Profit for the year                   | 935.07                       | 660.48                  | 108.83               | -60.55                  |
| Weighted number of shares outstanding | 45,70,33,003                 | 18,87,76,760            | 10,89,97,047         | 3,63,32,349             |
| Basic and Diluted EPS (Rs.)           | 0.20                         | 0.35                    | 0.10                 | -0.17                   |

NOTE NO. 31: Reconciliation of Effective Tax Rate

[Rs in Lakhs]

| Particulars   | As at 31st<br>December, 2023 | As at March 31,<br>2023 | As at March 31, 2022 | As at March 31,<br>2021 |
|---|------------------------------|-------------------------|----------------------|-------------------------|
| Net income before tax   | 1,251.13                     | 717.50                  | 108.84               | (60.55)                 |
| Enacted tax rate in India   | 25.17%                       | 25.17%                  | 26.00%               | 26.00%                  |
| <b>Computed tax expense</b>                                       | <b>314.89</b>                | <b>180.58</b>           | <b>-</b>             | <b>-</b>                |
| <b>Increase/ decrease in taxes on account of:</b>                 |                              |                         |                      |                         |
| Tax effect on exempted income under Income-tax Act                | -                            | -                       | -                    | -                       |
| Adjustment on account of Demerger                                 | -                            | -                       | -                    | -                       |
| Tax impact of restatement of Prior period items                   | -                            | -                       | -                    | -                       |
| Adjustment on account of brought forward losses/unabsorbed Dep.   | -                            | -95.43                  | -                    | -                       |
| Adjustment on account of other than permanent difference          | -                            | 0.43                    | -                    | -                       |
| Adjustment on account of permanent difference                     | -                            | -28.28                  | -                    | -                       |
| Excess/ Short provision relating earlier year tax                 | -                            | -                       | -                    | -                       |
| Income tax expense recognised in the statement of profit and loss | <b>314.89</b>                | <b>57.30</b>            | <b>-</b>             | <b>-</b>                |

**NOTE NO. 32: Employee Benefits**

Post-employment benefits plans

**(a) Defined Contribution Plans –**

In respect of the defined contribution plans, an amount of ` Nil (Previous Year: ` Nil) has been provided in the Profit & Loss account for the year towards employer share of PF contribution.

**(b) Defined Benefit Plans –**

The Liability in respect of gratuity is determined for current year as per management estimate ` Nil (previous year ` Nil as per management estimate) carried out as at Balance Sheet date. Amount recognized in profit and loss account ` Nil (previous year ` Nil).

NOTE NO. 33: Balances of Trade Receivables and Trade Payables as at the balance sheet are subject to confirmation and reconciliation.



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**NOTE NO. 34 CAPITAL MANAGEMENT:** Equity share capital and other equity are considered for the purpose of Company's capital management. The Company's objective for capital management is to manage its capital to safeguard all stakeholders. The funding requirements are met through loans.

**NOTE NO. 35 Liquidity Risk:** Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company will continue to consider borrowing options to maximize liquidity and supplement cash requirements as necessary.

**NOTE NO.36** The Company is engaged in Trading of essential Items like Cashew Rice etc which is considered as the only reportable business segment.

**NOTE NO. 37. Contingent Liabilities & Commitments**

(Rs. In Lakhs)

| Particulars   | As at 31st December, 2023 | As at 31st Mar 2023 | As at 31st Mar 2022 | As at 31st Mar 2021 |
|---|---------------------------|---------------------|---------------------|---------------------|
| Claims against the Company, not acknowledged as debts *<br>(Amount paid to statutory authorities) | 73.56                     | 73.56               | 73.56               | 73.56               |

\* The Customs department has raised the claim on company for 73.56 lacs . The Company has disputed the same with appropriate authority.

**NOTE NO. 38** Previous year figures have been regrouped / reclassified wherever necessary to conform to current year's classification.



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Rohini Sarda



**NOTE NO. 39: FINANCIAL INSTRUMENTS**

**A. The carrying value and fair value of financial instruments:**

(Amount in Lakhs)

| Particulars                        | As at 31st December, 2023 |                 | As at March 31, 2023 |                 | As at March 31, 2022 |                 | As at March 31, 2021 |            |
|------------------------------------|---------------------------|-----------------|----------------------|-----------------|----------------------|-----------------|----------------------|------------|
|                                    | Carrying Value            | Fair Value      | Carrying Value       | Fair Value      | Carrying Value       | Fair Value      | Carrying Value       | Fair Value |
| <b>Financial Assets</b>            |                           |                 |                      |                 |                      |                 |                      |            |
| <b>At Amortised Cost</b>           |                           |                 |                      |                 |                      |                 |                      |            |
| Trade Receivables                  | 3,208.79                  | 3,208.79        | 1,034.79             | 1,034.79        | 789.70               | 789.70          | -                    | -          |
| Cash & Cash equivalents            | 377.98                    | 377.98          | 556.42               | 556.42          | 44.07                | 44.07           | -                    | -          |
| Loans and Advances                 | 1,019.80                  | 1,019.80        | 2,287.40             | 2,287.40        | 0.35                 | 0.35            | -                    | -          |
| Other Financial Asset              | 1.30                      | 1.30            | 137.85               | 137.85          | 0.60                 | 0.60            | -                    | -          |
| <b>Total Financial Assets</b>      | <b>4,607.86</b>           | <b>4,607.86</b> | <b>4,016.47</b>      | <b>4,016.47</b> | <b>834.73</b>        | <b>834.73</b>   | -                    | -          |
| <b>Financial Liabilities</b>       |                           |                 |                      |                 |                      |                 |                      |            |
| <b>At Amortised Cost</b>           |                           |                 |                      |                 |                      |                 |                      |            |
| Borrowings                         | 729.63                    | 729.63          | 3,448.10             | 3,448.10        | 2,874.53             | 2,874.53        | -                    | -          |
| Trade Payables                     | 4,861.72                  | 4,861.72        | 2,408.26             | 2,408.26        | 1,442.61             | 1,442.61        | -                    | -          |
| Other Financial Liabilities        | 2.39                      | 2.39            | 168.11               | 168.11          | 163.57               | 163.57          | -                    | -          |
| <b>Total Financial Liabilities</b> | <b>5,593.74</b>           | <b>5,593.74</b> | <b>6,024.47</b>      | <b>6,024.47</b> | <b>4,480.72</b>      | <b>4,480.72</b> | -                    | -          |

**B. Fair value measurements recognised in the statement of financial position:**

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

| Particulars                  | As at 31st December, 2023 |         |                 | As at March 31, 2023 |         |                 | As at March 31, 2022 |         |
|------------------------------|---------------------------|---------|-----------------|----------------------|---------|-----------------|----------------------|---------|
|                              | Level 1                   | Level 2 | Level 3         | Level 1              | Level 2 | Level 3         | Level 1              | Level 2 |
| <b>At Amortised Cost</b>     |                           |         |                 |                      |         |                 |                      |         |
| Trade Receivables            |                           |         | 3,208.79        |                      |         | 1,034.79        |                      |         |
| Cash & Cash equivalents      |                           |         | 377.98          |                      |         | 556.42          |                      |         |
| Loans and Advances           |                           |         | 1,019.80        |                      |         | 2,287.40        |                      |         |
| Other Financial Asset        |                           |         | 1.30            |                      |         | 137.85          |                      |         |
| <b>Subtotal</b>              | -                         | -       | <b>4,607.86</b> | -                    | -       | <b>4,016.47</b> | -                    | -       |
| <b>Financial Liabilities</b> |                           |         |                 |                      |         |                 |                      |         |
| <b>At Amortised Cost</b>     |                           |         |                 |                      |         |                 |                      |         |
| Borrowings                   |                           |         | 729.63          |                      |         | 3,448.10        |                      |         |
| Trade Payables               |                           |         | 4,861.72        |                      |         | 2,408.26        |                      |         |
| Other Financial Liabilities  |                           |         | 2.39            |                      |         | 168.11          |                      |         |
| <b>Subtotal</b>              | -                         | -       | <b>5,593.74</b> | -                    | -       | <b>6,024.47</b> | -                    | -       |

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Cash and cash equivalents, Trade receivables, Other current Financial assets, Trade payable and other current Financial liabilities approximate their carrying amounts largely due to the short-term maturities or nature of these instruments.



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NOTE NO.40. Key Financial Ratios

| S.No. | Particulars                     | Numerator                      | Denominator                | Numerator | Denominator | 31.12.2023 | Numerator | Denominator | 2022-23 | Numerator | Denominator | 2021-22 | Numerator | Denominator | 2020-21 |
|-------|---------------------------------|--------------------------------|----------------------------|-----------|-------------|------------|-----------|-------------|---------|-----------|-------------|---------|-----------|-------------|---------|
| 1     | Current Ratio                   | Current Assets                 | Current Liabilities        | 5,815.04  | 7,280.48    | 0.80       | 4,701.79  | 8,553.23    | 0.56    | 1,687.64  | 4,596.00    | 0.37    | 5.92      | 3,032.84    | 0.00    |
| 2     | Debt-Equity Ratio               | Total Debt                     | Total shareholder's Equity | 729.63    | 11,212.45   | 0.07       | 3,448.10  | 7,534.68    | 0.46    | 2,874.53  | (2,910.80)  | -0.99   | 2,861.80  | (3,019.64)  | -0.95   |
| 3     | Debt Service Coverage Ratio     | EBITDA                         | Interest+ Instalment       | 1,569.19  | 42.35       | 37.05      | 720.33    | 0.23        | 3168.15 | 113.53    | 4.57        | 24.83   | (6.22)    | 26.33       | -0.62   |
| 4     | Return On Equity                | Net Income                     | Shareholder's Equity       | 935.07    | 11,212.45   | 8.34%      | 690.48    | 7,534.68    | 9.17%   | 108.83    | (2,910.80)  | -3.74%  | (60.55)   | (3,019.64)  | -2.01%  |
| 5     | Inventory Turnover Ratio        | Cost of Goods Sold             | Average Inventories        | 17,716.56 | -           | NA         | 23,561.67 | -           | NA      | 6,641.80  | -           | NA      | -         | -           | 0.00    |
| 6     | Trade Receivable Turnover Ratio | Net Credit Sale                | Average account Receivable | 18,395.28 | 1,879.75    | 9.79       | 24,141.41 | 536.76      | 44.98   | 6,817.34  | 389.95      | 17.48   | -         | -           | 0.00    |
| 7     | Trade Payable Turnover Ratio    | Net Credit Purchase            | Average account Payable    | 17,716.56 | 3,634.59    | 4.87       | 23,561.67 | 1,926.44    | 12.24   | 6,641.80  | 722.37      | 9.19    | -         | -           | 0.00    |
| 8     | Net Capital Turnover Ratio      | Total Sale                     | Shareholder's Equity       | 18,395.28 | 11,212.45   | 1.64       | 24,141.41 | 7,534.68    | 3.20    | 6,852.54  | (2,910.80)  | -2.35   | -         | (3,019.64)  | 0.00    |
| 9     | Net Profit Ratio                | Net Profit                     | Revenue                    | 935.07    | 18,395.28   | 0.05       | 600.48    | 24,141.41   | 0.03    | 108.83    | 6,852.54    | 0.02    | (60.55)   | -           | NA      |
| 10    | Return On Capital Employed      | Earnings Before Interest & Tax | Capital Employed           | 1,293.49  | 11,297.71   | 11.45%     | 717.73    | 7,537.18    | 9.52%   | 113.41    | (2,908.30)  | -3.90%  | (34.22)   | (3,017.14)  | 1.13%   |
| 11    | Return on Investment            | Profit from Investment         | Cost of Investment         | NA        | NA          | NA         | NA        | NA          | NA      | NA        | NA          | 0       | NA        | NA          | 0       |



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**Restated Notes forming part Standalone of Ind AS Financial Statements for the period and year ended December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021**

**Note 41: Related Party Transaction**

| Relationship   | Name of KMP             |
|--|-------------------------|
| Managing Director (Since 7th August,2021)                              | Mr. Vishesh Gupta       |
| Director (From 7th August,2021 to 9th August 2022)                     | Ms. Shweta Singh        |
| Wholetime Director (From 9th August, 2022 To 27th July 2023)           | Mr. Manoj Kumar Sharma  |
| Wholetime Director (From 27th July 2023)                               | Mr. Deepak Kumar Gupta  |
| Independent Director (From 7th August,2021 to 27th July 2023)          | Mr. Komal Jain          |
| Independent Director (Since 7th August,2021)                           | Ms. Gunjan Jha          |
| Independent Director (Since 7th August,2021)                           | Ms. Sony Kumari         |
| Independent Director (From 7th August,2021 to 27th July 2023)          | Ms. Mansi Gupta         |
| Chief Financial Officer (From 8th November, 2021 to 20th August, 2022) | Mr. Sandeep Gupta       |
| Chief Financial Officer (From 15th October 2022 to 20th December 2022) | Ms. Sweta Gandhi        |
| Chief Financial Officer (From 27th April 2023 to 30th June 2023)       | Mr. Deepankar Gambhir   |
| Chief Financial Officer (From 27th July 2023 to 11th September 2023)   | Mr. Ishan Mudgal        |
| Chief Financial Officer (From 27th November,2023)                      | Mr. Pankaj Sardana      |
| Company Secretary (From 7th August, 2021 to 9th August,2022)           | Mr. Prince Chugh        |
| Company Secretary (Since 9th August,2022)                              | Mr. Pankaj Kumar Sharma |

In Lakhs

| Transactions                      | As at 31st December 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|-----------------------------------|--------------------------|-----------------------|-----------------------|-----------------------|
| <b>Directors Remuneration</b>     |                          |                       |                       |                       |
| Vishesh Gupta                     | 8.80                     | 10.65                 | 5.85                  | -                     |
| Shweta Singh                      | -                        | -                     | 3.32                  | -                     |
| Manoj Kumar Sharma                | 5.94                     | 4.80                  | -                     | -                     |
| Deepak Kumar Gupta                | 3.00                     | -                     | -                     | -                     |
| <b>Sitting Fee</b>                |                          |                       |                       |                       |
| Komal Jain                        | -                        | -                     | 0.22                  | -                     |
| Gunjan Jha                        | 1.00                     | 1.40                  | 1.30                  | -                     |
| Sony Kumari                       | 1.00                     | 1.40                  | 1.02                  | -                     |
| Mansi Gupta                       | 1.00                     | 1.40                  | 1.06                  | -                     |
| Salary to Chief Financial Officer | 3.29                     | 4.75                  | 3.24                  | -                     |
| Salary to Company Secretary       | 4.48                     | 5.28                  | 2.51                  | -                     |



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**NOTE NO. 42 : ADDITIONAL REGULATORY INFORMATION**  
**During the Period or previous years**

- (i) All the immovable properties held by the company are in the name of the company (where the company is the lessee and the lease arrangements are duly executed in favour of lessee) as on the balance sheet date.
- (ii) Company have Property Plant and Equipment to revalue the same (including Right-of Use Assets), based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.
- (iii) Company doesn't have intangible asset to revalue the same, based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.
- (iv) Company not provided any loans to Promoters, Directors, Key Managerial Persons or related parties. The loans provided to other body corporates are repayable on demand.
- (v) Company doesn't have any Capital-Work-in Progress.
- (vi) Company doesn't have any intangible assets under developments.
- (vii) No benami property held by company, No proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (viii) Company has no borrowings from banks or financial institutions on the basis of security of current assets.
- (ix) Company not declared as wilful defaulter by any bank or financial Institution or other lender.
- (x) Company has not done any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,
- (xi) Company has not any charges or satisfaction yet to be registered with ROC beyond the statutory period.
- (xii) Section 135 of Companies Act, 2013 relating to CSR Policy is applicable on the Company.
- (xiii) Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act' 2013 read with Companies (Restriction on Number of Layers) Rules' 2017
- (xiv) The additional information pursuant to Schedule III to the Companies Act, 2013 are either nil or not applicable.

**The accompanying Notes 1 to 42 forms integral part of these Financial Statements**  
**As per our report of even date attached**

**For A. K. Bhargav & Co.**  
**Chartered Accountants**  
**FRN : 034063N**

**For & on behalf of the Board of Directors of Integra Essentia Limited**


**(CA ARUN KUMAR BHARGAV)**  
**(Proprietor)**  
**Membership No. 548396**  
**UDIN : 24548396BKAKHV5530**  
**Place: Delhi**  
**Date : 15/02/2024**

  
**Deepak Kumar Gupta**  
**Director**  
**DIN: 00057003**

  
**Pankaj Kumar Sharma**  
**Company Secretary**  
**PAN:GZFPS2953L**

  
**Arijit Kumar Ojha**  
**Director**  
**DIN:10265020**

  
**Pankaj Sardana**  
**Chief Financial Officer**  
**PAN:ESEPS1629M**

## STATEMENT OF CAPITALISATION

(Rs. in Lakhs)

| Particulars                                | Pre-issue as at<br>31.12.2023 | Post Issue |
|--|-------------------------------|------------|
| <b>Total Borrowings</b>                    |                               |            |
| Current Borrowing                          | 644.37                        | -          |
| Non-Current Borrowing                      | 85.26                         | -          |
| <b>Total Equity*</b>                       |                               |            |
| Equity Share Capital                       | 4570.33                       | 10676.90   |
| Other Equity                               | 6662.63 <sup>#</sup>          | 5148.85    |
| Total Capital                              | 11232.96                      | 15825.75   |
| Ratio: Non-current borrowings/Total Equity | -                             | -          |

*# Post December Quarter, Company has Issued Bonus Share in the Ratio of 1:1, Accordingly, Equity Share Capital of company stands increased to 9140.66 Lacs and Other Equity (Security Premium Reserve) got reduced with 4570.33 Lacs against capitalization of reserve.*

*\*Details as per Restated Consolidated Financial Statements.*

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

*The following discussion of our financial condition and results of operations should be read in conjunction with the "Financial Statements" beginning on page 110 of this Letter of Offer.*

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read "Risk Factors" and "Forward Looking Statements" beginning on pages 20 and 1414 respectively of this Letter of Offer, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.*

*Our financial statements included in this Letter of Offer are prepared in accordance with Ind AS, which differs in certain material respects from other accounting standards such as IFRS. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are for the 12 months ended March 31 of that year. Unless otherwise indicated or the context requires, the financial information for Fiscal 2023 included herein is based on the Restated Financial Statements and the financial information included herein for the nine months period ended December 31, 2023 is based on the unaudited December Financial Results, included in this Letter of Offer. For further information, see "Financial Statements" beginning on page 1100 of this Letter of Offer.*

*Neither we, any of their affiliates or advisors, nor any other person connected with the Issue has independently verified such information. For further information, see "Presentation of Financial and other Information" beginning on page 12 of this Letter of Offer.*

### **Business overview**

Our Company was incorporated as "Five Star Mercantile Private Limited" on August 6, 2007, as a private limited Company under the Companies Act, 1956 and was granted the Certificate of Incorporation by the Registrar of Companies, Mumbai. Subsequently, our Company was converted into a public limited company and the name of our Company was changed to "Five Star Mercantile Limited" on January 3, 2012, and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Mumbai. Our Company was originally incorporated with the objective of carrying on the business of trading and mercantile to garment manufacturing businesses.

Subsequently, our Company, Five Star Mercantile Private Limited entered into a Composite Scheme of Arrangement and Amalgamation with the division of Morarjee Textiles Limited called 'the Integra Division' and Morarjee Holdings Private Limited. This Composite Scheme of Arrangement and Amalgamation was approved by the Hon'ble Bombay High Court vide its order dated June 29, 2012. Consequently, the name of our Company was changed to "Integra Garments and Textiles Limited" and a fresh Certificate of Incorporation was issued on August 2, 2012, by the Registrar of Companies, Mumbai.

Pursuant to this amalgamation, the main object of our Company shifted to carry on the business of manufacturing, trading, dealing, importing, exporting, and selling textiles and fabrics. Our Company dealt with men's, women's and children's clothing and wearing apparel garments and dresses of every kind, nature and description in the market.

On July 14, 2021, our Company was acquired by Mr. Vishesh Gupta upon completion of the open offer, and pursuant to the Share Purchase Agreement dated March 31, 2021 and the management of our Company underwent a change. Our Company with effect from August 7, 2021, appointed and composed a new Board of Directors and Key Managerial Personnel.

After the change in the management and control of our Company, its vision and object widened. Our Company is already engaged in the business of trading and dealing in garments and textiles, ventured into dealing, trading of agricultural commodities, life necessities, items of basic human needs, organic and natural products and processed foods etc and other essential goods, infrastructural products among others. Our Company now strives to be the ultimate one-stop-shop for all life essentials goods be it 'Roti', 'Kapda' or 'Makan.' Accordingly, the name of our Company was changed to "Integra Essentia Limited" on February 16, 2022, and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Mumbai.

Integra Essentia Limited is a Delhi based company engaged in the trading business of Life Essentials i.e. Food (Agro Products), Clothing (Textiles and Garments), Infrastructure (Materials and Services for Construction and

Infrastructure Development) and Energy (Materials, Products and Services for the Renewable Energy Equipment and Projects) and many more Products and Services required to sustain the modern life.

Further for Now Company's operations are more focused on its FMCG segment which includes trading of Rice, Cashew and winery products.

### **SIGNIFICANT DEVELOPMENTS AFTER DECEMBER 31, 2023 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS**

To the knowledge of our Company and except as disclosed herein, since the date of the last financial statements contained in this Letter of Offer, no other circumstances have arisen which would materially and adversely affect or which would be likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 (twelve) months.

1. The registered office of our Company was shifted from "Unit No. 902, 9<sup>th</sup> Floor, Aggarwal Cyber Plaza-1, Netaji Subhash Place, New Delhi -110034" to "607, 6<sup>th</sup> Floor, Pearls Best Height -II, Netaji Subhash Place, North West Delhi, Delhi, India -110034" on November 6, 2023, accordingly all required certificate are processed for updating.
2. Board of Directors at its meeting held on January 13, 2024 has approved the allotment of 45,70,33,003 Equity Shares of Rs. 1/- each by way of bonus issue to such members whose names have appeared in the Register of Members as on January 11, 2024, being the Record Date fixed for the said purpose, in the proportion of 1 (One) new fully paid-up Equity Share of Rs. 1/- each for every 1 (One) existing fully paid-up Equity Share of Re. 1/- each held by them, (i.e., in the ratio of 1:1). Consequent to said above allotment the issued, subscribed and paid-up equity share capital of the Company has increased from Rs. 45,70,33,003/- to Rs. 91,40,66,006/-.
3. Authorised share capital of company increased from Rs, 60,00,00,000/- (Rupees Sixty Crores) to Rs. 125,00,00,000 (Rupees One Hundred Twenty-Five Crores Only).

### **FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

We are a company engaged in the business of manufacturing, trading and dealing in garments and textiles, ventured into dealing, trading of agricultural commodities, life necessities, items of basic human needs, organic and natural products and processed foods etc. and other essential goods, infrastructural products. Our results of operations have been, and will continue to be, affected by a number of events and actions, some of which are beyond our control including the performance of the Indian economy and the business in which we are involved.

However, there are some specific items that we believe have impacted our results of operations, and in some cases, may continue to impact our results of operations on a consolidated level and at our individual projects in future. In this section, we discuss some of the significant factors that we believe have or could have an impact on our revenue and expenditure. Please also see the section titled "**Risk Factors**" beginning on page 20 of this Letter of Offer.

### **Compliance with environmental laws and regulations**

We are subject to central and state environmental laws and regulations, which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from its operations. In case of any change in environmental or pollution laws and regulations, we may be required to incur significant amounts on, among other things, environmental monitoring, pollution control equipment and emissions management. In addition, failure to comply with environmental laws may result in the assessment of penalties and fines against us by regulatory authorities.

### **Financial Performance**

*Comparison between December 31, 2023 & December 31, 2022*

*(Rupees in Lakhs)*

| Sr. No. | Particulars   | 31-Dec-23        |                | 31-Dec-22        |                |
|---------|---|------------------|----------------|------------------|----------------|
|         |   | Unaudited        | %              | Unaudited        | %              |
| 1       | Revenue from Operations   | 18,395.28        | 94.34%         | 17,414.18        | 98.16%         |
| 2       | Other Income  | 1,104.05         | 5.66%          | 326.3            | 1.84%          |
| 3       | <b>Total Income (1+2)</b>   | <b>19,499.34</b> | <b>100.00%</b> | <b>17,740.48</b> | <b>100.00%</b> |
| 4       | <b>EXPENSES:</b>  |                  | 0.00%          |                  | 0.00%          |
| a.      | Cost of Materials Consumed  | -                |                | -                |                |
| b.      | Purchases of Stock-in-Trade   | 17,716.56        | 90.86%         | 17,113.73        | 96.47%         |
| c.      | Change in inventory of finished goods, work in progress and stock in trade        | -                |                | -26.54           | -0.15%         |
| d.      | Employee Benefits Expense   | 55.44            | 0.28%          | 32.92            | 0.19%          |
| e.      | Finance Costs   | 42.35            | 0.22%          | 0.12             | 0.00%          |
| f.      | Depreciation and Amortisation Expense   | 278.01           | 1.43%          | 1.88             | 0.01%          |
| g.      | Other Expenses  | 155.84           | 0.80%          | 138.59           | 0.78%          |
|         | <b>Total Expenses</b>   | <b>18,248.20</b> | <b>93.58%</b>  | <b>17,260.70</b> | <b>97.30%</b>  |
| 5       | <b>Profit Before Exceptional Items and Tax (3-4)</b>                              | <b>1,251.13</b>  | <b>6.42%</b>   | <b>479.78</b>    | <b>2.70%</b>   |
| 6       | Exceptional Items   | 0                | 0.00%          | 5.5              | 0.03%          |
| 7       | <b>Profit/ (Loss) Before Tax (5-6)</b>  | <b>1,251.13</b>  | <b>6.42%</b>   | <b>474.28</b>    | <b>2.67%</b>   |
| 8       | <b>Tax Expense/(Benefits):</b>  |                  | 0.00%          |                  | 0.00%          |
|         | i. Current Tax  | 314.89           | 1.61%          | -                |                |
|         | ii. Deferred Tax  | -                |                | -                |                |
|         | <b>Total Tax Expense (i+ii)</b>   | <b>314.89</b>    | <b>1.61%</b>   | <b>-</b>         |                |
| 9       | <b>Profit/(Loss) from continuing operations (7-8)</b>                             | <b>936.25</b>    | <b>4.80%</b>   | <b>474.28</b>    | <b>2.67%</b>   |
| 10      | <b>Profit/(Loss) from discontinuing operations</b>                                | <b>-</b>         |                | <b>-</b>         |                |
| 11      | <b>Tax Expenses from discontinuing operations</b>                                 | <b>-</b>         |                | <b>-</b>         |                |
| 12      | <b>Profit/(Loss) from discontinuing operations (10-11)</b>                        | <b>-</b>         |                | <b>-</b>         |                |
| 13      | <b>Profit/(Loss) for the period (9+12)</b>  | <b>936.25</b>    | <b>4.80%</b>   | <b>474.28</b>    | <b>2.67%</b>   |
| 14      | <b>Other Comprehensive Income :</b>   |                  |                |                  |                |
|         | A.) (i) Items that will not be reclassified to Profit and Loss                    | 73.71            | 0.38%          | -                |                |
|         | (ii) Income tax relating to items that will not be reclassified to profit or loss | -                |                | -                |                |
|         | B) (i) Items that will be reclassified to profit and loss account                 | -                |                | -                |                |
|         | (ii) Income tax relating to items that will be reclassified to profit or loss     | -                |                | -                |                |
| 15      | <b>Total Comprehensive Income for the period (13+14)</b>                          | <b>1,009.95</b>  | <b>5.18%</b>   | <b>474.28</b>    | <b>2.67%</b>   |
| 16      | <b>Paid up equity share capital</b>   | 4,570.33         |                | 4,570.33         |                |
|         | <b>(Face value of the share shall be indicated)</b>                               |                  |                |                  |                |
| 17      | <b>Other Equity excluding Revaluation Reserves</b>                                | 6,643.30         |                | 2,806.40         |                |
| 18      | <b>Earnings per Equity Share of Rs. 1 each (Basic &amp; Diluted)</b>              | 0.22             |                | 0.1              |                |

*\*Figures are based on quarterly results of the company for December ended 2023.*



## COMPARISION OF FINANCIAL QUARTER ENDED DECEMBER 31, 2023 WITH FINANCIAL QUARTER ENDED DECEMBER 31, 2022

### ***Total Income:***

Our total income for Fiscal 2023 was ₹ 19499.34 lakhs as compared to ₹ 17,740.48 lakhs for the Fiscal 2022, representing an increase of 9.9%. Further, total income was bifurcated into revenue from operations and other income.

### ***Revenue from operations***

Revenue from operations increased to ₹18,395.28 lakhs (comprising of 94.34 % of our total income) in Fiscal 2023 from ₹ 17,414.18 lakhs (comprising 98.16 % of our total income) in Fiscal 2022, representing an increase of 5.6%. This was primarily due to considering unsatisfied performance obligation as revenue.

### ***Other income***

Our other income for the Fiscal 2023 was ₹ 1,104.05 lakhs as compared to ₹ 326.30 lakhs for the Fiscal 2022, representing an increase of 70.44%.

### ***Total Expenses***

Our total expenses increased to ₹ 18,248.20 lakhs in Fiscal 2023 from ₹ 17,260.70 lakhs in Fiscal 2022 representing 5.72 % increase.

### ***Finance Cost***

Our Finance Cost increased to ₹ 42.35 lakhs in Fiscal 2023 from ₹ 0.12 lakhs in Fiscal 2022 representing 351% increase. majorly due to decrease in interest on cash credits, interest on term loans and interest on financial liabilities measured at effective interest rates in the Fiscal 2023.

### ***Other expense***

Our other expenses were ₹ 155.84 Lakhs in the Fiscal 2023 as compared to ₹ 138.59 Lakhs in the Fiscal 2022, representing an increase of 12.45%. This increase pertains to increase in bank charges, electricity and water and others.

### ***Profit / (Loss) before Tax***

Our Loss before tax was ₹ 1,251.13 lakhs in the Fiscal 2023 as compared to ₹ 474.28 lakhs in the Fiscal 2022, representing a increases in profit of 163.58%.

### ***Profit/Loss after Tax***

Our profit for the year increased from ₹ 474.28 lakhs (comprising 2.67 % of our total income) in the Fiscal 2022 to ₹ 936.25 lakhs (comprising 4.80% of our total income) in the Fiscal 2023, representing an increase in profit of 97.43%.

## SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Restated Financial Statements. For details of our significant accounting policies, please refer section titled "***Financial Information***" on page 110.

## CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 YEARS

Except as mentioned in chapter "***Financial Information***" on page 110, there has been no change in accounting policies in last 3 years.

## RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

For details, see section titled "***Financial Information***" on page 110.

| <b>COMPARISON BETWEEN FINANCIA YEAR ENDED MARCH 31, 2023 &amp; MARCH 31, 2022*</b> |  |                               |                |                               |                |
|--|--|-------------------------------|----------------|-------------------------------|----------------|
| (Amount in Lakhs)  |  |                               |                |                               |                |
| <b>Sr. No.</b>   | <b>Particulars</b>   | <b>As at 31st March, 2023</b> | <b>%</b>       | <b>As at 31st March, 2022</b> | <b>%</b>       |
| 1  | Revenue from Operations  | 24141.41                      | 98.34%         | 6852.54                       | 99.88%         |
| 2  | Other Income   | 408.73                        | 1.66%          | 8.28                          | 0.12%          |
| <b>3</b>   | <b>Total Income (1+2)</b>  | <b>24550.15</b>               | <b>100.00%</b> | <b>6860.82</b>                | <b>100.00%</b> |
| 4  | EXPENSES:  |                               |                |                               |                |
| a.   | Cost of Materials Consumed   | 0.00                          | 0.00%          | 0.00                          | 0.00%          |
| b.   | Purchases of Stock-in-Trade  | 23561.67                      | 95.97%         | 6641.80                       | 96.81%         |
| c.   | Change in inventory of finished goods, work in progress and stock in trade | 0.00                          | 0.00%          | 0.00                          | 0.00%          |
| d.   | Employee Benefits Expense  | 49.53                         | 0.20%          | 20.02                         | 0.29%          |
| e.   | Finance Costs  | 0.23                          | 0.00%          | 4.57                          | 0.07%          |
| f.   | Depreciation and Amortisation Expense                                      | 2.60                          | 0.01%          | 0.12                          | 0.00%          |
| g.   | Other Expenses   | 218.62                        | 0.89%          | 85.46                         | 1.25%          |
|  | <b>Total Expenses</b>  | <b>23832.65</b>               | <b>97.08%</b>  | <b>6751.98</b>                | <b>98.41%</b>  |
| 5  | Profit Before Exceptional Items and Tax (3-4)                              | 717.50                        | 2.92%          | 108.84                        | 1.59%          |
| 6  | Exceptional Items  |                               |                |                               |                |
| <b>7</b>   | <b>Profit/ (Loss) Before Tax (5-6)</b>                                     | <b>717.50</b>                 | <b>2.92%</b>   | <b>108.84</b>                 | <b>1.59%</b>   |
| 8  | Tax Expense/(Benefits):  |                               |                |                               |                |
|  | i. Current Tax   | 57.30                         | 0.23%          | 0.00                          | 0.00%          |
|  | ii. Deferred Tax   | -0.27                         | 0.00%          | 0.01                          | 0.00%          |
|  | Total Tax Expense (i+ii)   | 57.03                         | 0.23%          | 0.01                          | 0.00%          |
| 9  | Profit/(Loss) from continuing operations (7-8)                             | 660.48                        | 2.69%          | 108.83                        | 1.59%          |
| <b>10</b>  | <b>Profit/(Loss) for the period</b>  | <b>660.48</b>                 | <b>2.69%</b>   | <b>108.83</b>                 | <b>1.59%</b>   |
| 11   | Other Comprehensive Income :   | 0.00                          |                | 0.00                          | 0.00%          |
| 12   | Total Comprehensive Income for the period (13+14)                          | 660.48                        | 2.69%          | 108.83                        | 1.59%          |
| 13   | Earnings per Equity Share of Rs. 1 each, previously 3 each                 |                               |                |                               |                |
|  | Basic  | 0.14                          | 0.00%          | 0.10                          | 0.00%          |
|  | Diluted  | 0.35                          | 0.00%          | 0.10                          | 0.00%          |

*\*Figures are based in the Restated Standalone Financials.*

#### **Comparison of Financial Year ended March 31, 2023 with Financial Year ended March 31, 2022**

##### **Revenue from Operations**

Our turnover from Revenue from operation increased to ₹24,141.41 in FY 2022-23 as compared to ₹ 6852.54 in FY 2021-22 due to resume of business by the new Promoter.

##### **Other Income**

Our other increased to ₹408.73 in FY 2022-23 as compared to ₹ 8.28 in FY 2021-22. Other Income comprise mainly Interest and other misc. income.

## **Expenditure**

### **Purchase of Stock-In-Trade**

Purchase of stock-in-trade increased to ₹ 23,561.67 Lakhs in FY 2022-23 as compared to ₹ 6641.80 in FY 2021-22.

### **Finance Cost**

Finance Cost Expense increased to ₹ 49.53 Lakhs in financial year 2021-22 from ₹ 20.02 Lakhs in financial year 2022-23 due to less Expenditure on borrowings as comparison to previous year.

### **Other Expenses**

Our other expenses increased to ₹ 218.62 Lakhs in financial year 2022-23 from ₹85.47 Lakhs in financial year 2021-22. Other expense mainly includes Professional Expense, Audit Fees and other Business-related Expense.

### **Depreciation**

Depreciation increased to ₹2.60 lakhs in in financial year 2022-23 from ₹0.12 Lakhs in financial year 2021-22.

### **Profit/Loss after Tax**

Our profit for the year increased from ₹ 108.83 lakhs (comprising 1.59 % of our total income) in the Fiscal 2022 to ₹ 660.48 lakhs (comprising 2.69% of our total income) in the Fiscal 2023, representing an decrease in loss of 506.90%.

## **OTHER MATTERS**

### **1. Unusual or infrequent events or transactions**

Except as described in this Letter of Offer, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations**

Other than as described in this Letter of Offer to our knowledge there are not any significant economic changes that materially affected or are likely to affect income from continuing operations

### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

Other than as disclosed in the section titled "**Risk Factors**" beginning on page 20 of this Letter of Offer to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

### **4. Future relationship between Costs and Income.**

Our Company's future costs and revenues will be determined by demand/supply situation, government policies, subsidies available and prices of raw material.

The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices.

Increase in revenue is by and large linked to increases in volume of business activity by the Company.

Total turnover of each major industry segment in which the issuer company operates.

The Company is operating in the business of manufacturing, trading and dealing in garments and textiles, ventured into dealing, trading of agricultural commodities, life necessities, items of basic human needs, organic and natural products and processed foods etc. and other essential goods, infrastructural products among others. Relevant industry data, as available, has been included in the chapter titled "**Industry Overview**" beginning on page 61 of this Letter of Offer.

**5. Status of any publicly announced new products/projects or business segments**

Our Company has not announced any new projects or business segments, other than disclosed in the Letter of Offer.

**6. The extent to which the business is seasonal**

Our Company's business is not seasonal in nature.

**7. Any significant dependence on a single or few suppliers or customers**

There is no significant dependence on a single or few suppliers or customers

**8. Competitive Conditions**

We face competition from existing and potential organised and unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "**Our Business**" on page 92 of this Letter of Offer.

## MARKET PRICE INFORMATION

The Equity Shares are listed on the BSE and NSE. The Rights Equity Shares will be listed on the Stock Exchanges pursuant to the Issue. For further details, please see "*Terms of the Issue*" on page 192 of this Letter of Offer. We have received in-principle approvals for listing of the Rights Equity Shares on the Stock Exchanges to be issued pursuant to the Issue from the BSE and NSE by letter dated May 10, 2024 and May 17, 2024 respectively. Our Company will also make application to BSE and NSE to obtain the trading approval from the stock exchange for the Rights Entitlements as required under the SEBI Rights Issue Circulars

For the purpose of this section, unless otherwise specified:

1. Year is a Financial Year;
2. Average price is the average of the daily closing prices of our Equity Shares for the year, or the month, as the case maybe;
3. High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of our Equity Shares, for the year, the month, or the week, as the case may be; and
4. In case of two days with the same high/low/closing price, the date with higher volume has been considered.

### Stock Market Data of the Equity Shares

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

| BSE  |          |                   |   |         |                  |  |             |
|------|----------|-------------------|---|---------|------------------|--|-------------|
| FY   | High (₹) | Date of High      | Volume on date of high (No. of Equity Shares) | Low (₹) | Date of Low      | Volume on date of low (No. of Equity Shares) | Average (₹) |
| 2024 | 12.95    | January 9, 2024   | 1,17,26,757                                   | 3.08    | April 16, 2024   | 23,98,249                                    | -           |
| 2023 | 8.80     | January 24, 2023  | 1,93,384                                      | 6.32    | January 6, 2023  | 32,154                                       | -           |
| 2022 | 9.45     | December 20, 2022 | 1,40,913                                      | 1.12    | February 7, 2022 | 5  | -           |
| 2021 | 4.45     | July 26, 2021     | 20,335  | 1.13    | January 28, 2021 | 2,045  | -           |

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

| NSE  |          |                   |   |         |                  |  |             |
|------|----------|-------------------|---|---------|------------------|--|-------------|
| FY   | High (₹) | Date of High      | Volume on date of high (No. of Equity Shares) | Low (₹) | Date of Low      | Volume on date of low (No. of Equity Shares) | Average (₹) |
| 2024 | 13.00    | January 10, 2024  | 1,88,09,172                                   | 3.10    | April 16, 2024   | 89,46,833                                    | -           |
| 2023 | 8.80     | January 24, 2023  | 16,04,597                                     | 5.30    | August 28, 2023  | 13,21,067                                    | -           |
| 2022 | 5.10     | December 20, 2022 | 5,01,405                                      | 1.70    | June 13, 2022    | 1,05,831                                     | -           |
| 2021 | 4.85     | October 4, 2021   | 33,837  | 1.15    | February 2, 2021 | 23,403                                       | -           |

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

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

| BSE            |          |                   |   |         |                   |  |
|----------------|----------|-------------------|---|---------|-------------------|--|
| Monthly        | High (₹) | Date of High      | Volume on date of high (No. of Equity Shares) | Low (₹) | Date of Low       | Volume on date of low (No. of Equity Shares) |
| May, 2024      | 4.43     | May 2, 2024       | 21,31,126                                     | 3.57    | May 18, 2024      | 5,05,610                                     |
| April, 2024    | 4.55     | April 30, 2024    | 2,19,17,614                                   | 3.08    | April 16, 2024    | 23,98,249                                    |
| March, 2024    | 4.44     | March 11, 2024    | 56,71,136                                     | 3.31    | March 27, 2024    | 49,54,031                                    |
| February, 2024 | 6.44     | February 01, 2024 | 20,35,181                                     | 3.87    | February 29, 2024 | 4,31,94,851                                  |
| January, 2024  | 12.95    | January 9, 2024   | 1,17,26,757                                   | 6.46    | January 9, 2024   | 17,05,339                                    |
| December, 2023 | 7.27     | December 28, 2023 | 42,96,474                                     | 5.46    | December 19, 2023 | 72,22,348                                    |

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

The total number of days trading during the past six months was 125. The average volume of Equity Shares traded on the BSE was 26,83,161 Equity Shares per day.

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

| NSE             |          |                   |   |         |                   |  |
|-----------------|----------|-------------------|---|---------|-------------------|--|
| FY              | High (₹) | Date of High      | Volume on date of high (No. of Equity Shares) | Low (₹) | Date of Low       | Volume on date of low (No. of Equity Shares) |
| May, 2024       | 4.40     | May 2, 2024       | 20,42,678                                     | 3.65    | May 23, 2024      | 7,13,958                                     |
| April, 2024     | 4.45     | April 30, 2024    | 25,76,717                                     | 3.10    | April 16, 2024    | 28,59,712                                    |
| March, 2024     | 4.30     | March 7, 2024     | 1,32,75,156                                   | 3.50    | March 28, 2024    | 6,02,342                                     |
| February, 2024  | 6.45     | February 01, 2024 | 6,16,291                                      | 4.00    | February 29, 2024 | 1,04,38,691                                  |
| January, 2024   | 13       | January 10, 2024  | 1,88,09,172                                   | 5.75    | January 11, 2024  | 12,70,597                                    |
| *December, 2023 | 7.30     | December 28, 2023 |   | 5.45    | December 19, 2023 |  |
| November, 2023  | 6.6      | November 10, 2023 | 6,24,814                                      | 5.9     | November 6, 2023  | 2,79,833                                     |

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

\*Market rate data was not available at NSE for the relevant period.

The total number of days trading during the past six months was 85. The average volume of Equity Shares traded on the NSE was 13,27,194 Equity Shares per day.

The Board of our Company has approved the Issue at their meeting held on November 27, 2023 and subsequent Member's approval obtained through Postal Ballot on December 29, 2023. The high and low prices of our Company's shares as quoted on the BSE and NSE on November 27, 2023, the day on which the trading happened immediately following the date of the Board meeting is as follows:

| <b>Date</b>       | <b>Volume (No of equity Shares)</b> | <b>High Price (₹)</b> | <b>Low price (₹)</b> |
|-------------------|-------------------------------------|-----------------------|----------------------|
| <b>BSE</b>        |                                     |                       |                      |
| November 27, 2023 | 1,26,35,415                         | 7.72                  | 7.33                 |
| December 29, 2023 | 28,48,225                           | 7.2                   | 6.82                 |
| <b>NSE*</b>       |                                     |                       |                      |
| November 27, 2023 |                                     |                       |                      |
| December 29, 2023 |                                     |                       |                      |

*\*Market rate data was not available at NSE for the relevant period.*

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND DEFAULTS

*Our Company is subject to various legal proceedings from time to time, primarily arising in the ordinary course of business. There is no outstanding litigation which has been considered material in accordance with our Company's 'Policy for Determination of Materiality', framed in accordance with Regulation 30 of the SEBI Listing Regulations, and accordingly, there is no such outstanding litigation involving our Company that requires disclosure in this Letter of Offer. However, solely for the purpose of the Issue, the following outstanding litigations have been disclosed in this section of this Letter of Offer, to the extent applicable: any outstanding civil litigation, including tax litigation, involving our Company, where the amount involved is 5% of Turnover or Net Worth of the Company for the immediately preceding financial year ("**Materiality Threshold**") or above.*

*Except as disclosed below, there are no outstanding litigation with respect to (i) issues of moral turpitude or criminal liability on the part of our Company; (ii) material violations of statutory regulations by our Company; (iii) economic offences where proceedings have been initiated against our Company; (iv) any pending matters, which if they result in an adverse outcome, would materially and adversely affect our operations or our financial position.*

*Pre-litigation notices received by our Company from third-parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) shall not be evaluated for materiality until such time our Company are impleaded as defendants in litigation proceedings before any judicial forum.*

#### **I. Litigation involving our Company**

##### **A. Litigation filed against our Company**

###### **1. Criminal proceedings**

Nil

###### **2. Outstanding actions by regulatory and statutory authorities**

Nil

###### **3. Civil proceedings**

Nil

##### **B. Litigation filed by our Company**

###### **1. Criminal proceedings**

Nil

###### **2. Civil proceedings**

#### ***Integra Garments & Textiles Limited and others vs. The Union of India and others - W.P No. 430 of 2020***

Our Company has filed a writ petition against The Union of India and others ("**Respondents**") before the Hon'ble Madras High Court against a demand of ₹73,56,080 raised by the Director General of Foreign Trade and the Commissioner of Customs, EODC, Chennai - IV. The demand stems from a failure to fulfill export obligations by M/s. Fabritex Exports Private Limited (hereinafter referred to as "**Importer**"). The Importer had obtained an advanced authorization bearing no. 0710041662 dated November 30, 2005 from the Additional Director General of Foreign Trade ("**ADGFT**"), Bangalore, and had imported goods valued at ₹3,39,39,123 involving customs duty of ₹73,56,080. The said authorization was issued to the Importer with a condition that the Importer would fulfill the Export Obligation as prescribed by the authorities. Additionally, the importer also executed a bond of Rs. 1,25,00,000 with



an undertaking stating that they would fulfill the export obligation, failing which they will pay back the customs duty availed as exemption under advance authorization scheme along with the applicable interest. The Importer failed to fulfill the export obligation and produce the Export Obligation Discharge Certificate from the concerned ADGFT within the prescribed time. This resulted in a violation of the export obligation and the conditions under the advance authorization and the bond executed by them. A show cause notice was also furnished to the Importer by the Respondent. The Importer amalgamated with our Company, therefore, the show cause notice and the charges mentioned therein were deemed to be against our Company. Our Company was therefore said to be liable for all the dues and liabilities of the importer which amounted to a total of ₹73,56,080. The petition was brought forth by the Petitioner opposing and dismissing the Show Cause Notice and the claims made therein. The matter is presently pending.

C. *Tax proceedings*

(in ₹)

| <b>Particulars</b> | <b>No. of cases</b> | <b>Amount involved</b> |
|--------------------|---------------------|------------------------|
| Direct Tax         | Nil                 | Nil                    |
| Indirect Tax       | 1*                  | Nil                    |
| <b>Total</b>       | Nil                 | Nil                    |

\*Income Tax Officer Ward 6(3)(2), Mumbai vs Integra Garments & Textiles Limited (SLP(C)No. 022490/2019) - Case was listed on 22.01.2024 for pronouncement of judgement, however, there has been no outcome & it is still pending for pronouncement.

**II. Litigation involving our Promoters**

A. *Litigation filed against our Promoter*

1. **Criminal proceedings**

Nil

2. **Outstanding actions by regulatory and statutory authorities**

Nil

3. **Civil proceedings**

Nil

B. *Litigation filed by our Promoter*

3. **Criminal proceedings**

Nil

4. **Civil proceedings**

Nil

C. *Tax proceedings*

(in ₹)

| <b>Particulars</b> | <b>No. of cases</b> | <b>Amount involved</b> |
|--------------------|---------------------|------------------------|
| Direct Tax         | Nil                 | Nil                    |
| Indirect Tax       | Nil                 | Nil                    |
| <b>Total</b>       | Nil                 | Nil                    |

### III. Litigation involving our Directors

#### A. Litigation filed against our Director

##### 1. Criminal proceedings

Nil

##### 2. Outstanding actions by regulatory and statutory authorities

Nil

##### 3. Civil proceedings

Nil

#### B. Litigation filed by our Director

##### 1. Criminal proceedings

Nil

##### 2. Civil proceedings

Nil

#### C. Tax proceedings

| (in ₹)       |              |                 |
|--------------|--------------|-----------------|
| Particulars  | No. of cases | Amount involved |
| Direct Tax   | Nil          | Nil             |
| Indirect Tax | Nil          | Nil             |
| <b>Total</b> | <b>Nil</b>   | <b>Nil</b>      |

### Outstanding dues to creditors

Details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at December 31, 2023, by our Company, are set out below:

| (₹ in lakhs)                        |                     |                 |
|-------------------------------------|---------------------|-----------------|
| Type of creditors                   | Number of creditors | Amount involved |
| Material creditors                  | Nil                 | Nil             |
| Micro, Small and Medium Enterprises | 3                   | 2,294.46        |
| Other creditors                     | 32                  | 2,567.26        |
| <b>Total</b>                        | <b>35</b>           | <b>4,861.72</b> |

### Material Developments

Other than as stated in the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Material Developments Subsequent to December 31, 2023*" on page 171 of this Letter of Offer, there have not arisen, since the date of the last financial information disclosed in this Letter of Offer, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are material for carrying on our present business activities. Some of the approvals and licenses that our Company requires for our business operations may expire in the ordinary course of business, and our Company will apply for their renewal from time to time.

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled "*Objects of the Issue*" at page 52 of this Letter of Offer.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Board, pursuant to its resolution dated November 27, 2023 authorized the Issue under Section 62(1)(a) of the Companies Act, 2013.

Our Board, in its meeting held on May 28, 2024 has resolved to issue the Equity Shares on rights basis to the Eligible Equity Shareholders, at ₹ 3.25 per Equity Share (including a premium of ₹ 2.25 per Equity Share) aggregating up to ₹ 4,992.80 lakhs. The Issue Price is ₹ 3.25 per Equity Share and has been arrived at by our Company in consultation with the Advisor & Merchant Banker to the Issue prior to determination of the Record Date.

Our Company has received in-principle approvals from BSE and NSE in accordance with Regulation 28(1) of the SEBI Listing Regulations for listing of the Equity Shares to be allotted in this Issue pursuant to their respective letters each dated May 10, 2024 and May 17, 2024, respectively. Our Company will also make applications to BSE and NSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN: INE418N20035 for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, see "*Terms of the Issue*" beginning on page 192 of this Letter of Offer.

### Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoter, our Directors, the members of our Promoter Group and persons in control of our Company have not been prohibited from accessing the capital market or debarred from buying or selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any authority/court as on date of this Letter of Offer.

Further, our Promoter and our Directors are not promoter or director of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI. None our Directors or Promoter is associated with the securities market in any manner. Further, there is no outstanding action initiated against any of our Directors or Promoters by SEBI in the five years preceding the date of filing of this Letter of Offer.

Neither our Promoter nor our Directors have been declared as fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018 (17 of 2018).

### Prohibition by RBI

Neither our Company, nor our Promoter, and Directors have been categorized or identified as wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

### Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoter and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.

### Eligibility for the Issue

Our Company is a listed company, incorporated under Companies Act, 1956. The Equity Shares of our Company are presently listed on BSE and NSE. We are eligible to undertake the Issue in terms of Chapter III of the SEBI ICDR Regulations. Our Company is eligible to offer Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B1 of Schedule VI of the SEBI.

## **Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations**

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchanges for listing of the Rights Equity Shares to be issued pursuant to the Issue. BSE Limited is the Designated Stock Exchange for the Issue.

## **DISCLAIMER CLAUSE OF SEBI**

**THE PRESENT ISSUE, BEING LESS THAN ₹5,000 LAKHS, OUR COMPANY IS IN COMPLIANCE WITH FIRST PROVISIO TO REGULATION 3 OF THE SEBI ICDR REGULATIONS AND OUR COMPANY SHALL FILE A COPY OF THE LETTER OF OFFER PREPARED IN ACCORDANCE WITH THE SEBI (ICDR) REGULATIONS WITH SEBI FOR INFORMATION AND DISSEMINATION ON THE WEBSITE OF SEBI FOR INFORMATIVE PURPOSES.**

## **Disclaimer from our Company and our Directors**

Our Company accept no responsibility for statements made otherwise than in this Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company anyone placing reliance on any other source of information would be doing so at his own risk.

Investors who invest in this Issue will be deemed to have represented by our Company and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and are relying on independent advice / evaluation as to their ability and quantum of investment in this Issue.

## **Disclaimer in respect of Jurisdiction**

This Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in New Delhi only.

## **Disclaimer Clause of BSE**

BSE Limited ("**the Exchange**") has given *vide* its letter dated May 10, 2024, permission to this Company to use the Exchange's name in this Letter of Offer as the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- i. Warrant, certify or endorse the correctness or completeness of any of the contents of this Letter of Offer; or
- ii. Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- iii. Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this Letter of Offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

## **Disclaimer Clause of NSE**

As required, a copy of this Letter of Offer has been submitted to National Stock Exchange of India Limited (hereinafter referred to as "**NSE**"). NSE through its approval dated May 17, 2024 gave permission to the Issuer to use the Exchange's name in this Letter of Offer as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this Letter of Offer for its limited internal purpose of

deciding on the matter of granting the aforesaid permission to this Issuer.

It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Letter of Offer has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Letter of Offer; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

### **Designated Stock Exchange**

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

### **Listing**

Our Company will apply to BSE and NSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

### **Selling Restrictions**

This Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Letter of Offer, Abridged Letter of Offer, Application Form, the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Letter of Offer, Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Letter of Offer, this Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Letter of Offer has been filed with SEBI and the Stock Exchanges.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

#### **NO OFFER IN THE UNITED STATES**

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Letter of Offer, Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorised to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed "Overseas Shareholders" to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

#### **NO OFFER IN ANY JURISDICTION OUTSIDE INDIA**

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES.

THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

### Consents

Consents in writing of: our Directors, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Letter of Offer.

Our Company has received written consent dated February 16, 2024 from our Statutory Auditor to include their name in this Letter of Offer and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation to the Statement of Tax Benefits dated February 16, 2024 in the form and context in which it appears in this Letter of Offer. Such consent has not been withdrawn up to the date of this Letter of Offer.

### Expert Opinion

Our Company has received written consent dated February 16, 2024 from our Statutory Auditor to include their name as required in this Letter of Offer and as an 'expert' as defined under Section 2(38) of the Companies Act, 2013 in relation the Statement of Tax Benefits dated February 16, 2024 and such consent has not been withdrawn as of the date of this Letter of Offer. The term 'expert' and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

Except for the abovementioned documents, provided by our Auditors, our Company has not obtained any expert opinions.

### Performance vis-à-vis objects – Public/Rights Issue of our Company

Other than issues which are mentioned below, Our Company has not made any rights issues or public issues during the five years immediately preceding the date of this Letter of Offer. There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

### Right Issues:

| <i>Particulars</i>  | <i>Right Issue-1</i>                        | <i>Right Issue-2</i>                        |
|---|---|---|
| Date of Board Approval  | December 22, 2021,                          | August 9, 2022                              |
| Date of members approval  | January 22, 2022                            | September 10, 2022                          |
| Issue Size  | 4,980.32 Lakhs                              | 4,994.58 Lakhs                              |
| No. of Shares to be issued  | 27,66,84,812                                | 7,13,51,144                                 |
| Rights Entitlement Ratio  | 33:13                                       | 37:200                                      |
| Issue Price   | Rs. 1.80/- per share                        | Rs. 7/- per share                           |
| Premium   | Rs. 0.80/- per share                        | Rs. 6/- per share                           |
| Record Date   | May 05, 2022                                | November 17, 2022                           |
| Issue Period  | From May 16, 2022 to June 14, 2022          | From Dec 1, 2022 to Dec 14, 2022            |
| Date of Allotment   | June 20, 2022                               | December 20, 2022                           |
| No. of Fully Paid-up Shares issued                                | 27,66,84,812                                | 7,13,51,144                                 |
| Outstanding fully paid-up Equity Shares prior to the Rights Issue | 10,89,97,047 Equity shares of Re. 1/- each  | 38,56,81,859 Equity shares of Re. 1/- each. |
| Outstanding fully paid-up Equity Shares post Right Issue          | 38,56,81,859 Equity shares of Re. 1/- each. | 45,70,33,003 Equity shares of Re. 1/- each. |

### Bonus Issue



Board of Directors at its meeting held on January 13, 2024 has approved the allotment of 45,70,33,003 Equity Shares of Rs. 1/- each by way of bonus issue to such members whose names have appeared in the Register of Members as on January 11, 2024, being the Record Date fixed for the said purpose, in the proportion of 1 (One) new fully paid-up Equity Share of Rs. 1/- each for every 1 (One) existing fully paid-up Equity Share of Re. 1/- each held by them, (i.e., in the ratio of 1:1).

#### **Performance vis-à-vis objects – Last issue of listed Subsidiaries or Associates**

Following are the list of companies which are subsidiaries or associate companies as on the date of this Letter of Offer.

1. M/s Brewtus Beverages Private Limited – holds 51% stake
2. R K Enterprises – holds 66% stake

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

Our Equity Shares are listed on BSE and NSE. Our Equity Shares are traded on BSE and NSE. For details in connection with the stock market data of the Stock Exchanges, please refer to the chapter titled "*Market Price Information*" beginning on page 178 of this Letter of Offer.

#### **NOTICE TO INVESTORS**

**NO ACTION HAS BEEN TAKEN OR WILL BE TAKEN THAT WOULD PERMIT A PUBLIC OFFERING OF THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES TO OCCUR IN ANY JURISDICTION OTHER THAN INDIA, OR THE POSSESSION, CIRCULATION OR DISTRIBUTION OF THIS LETTER OF OFFER OR ANY OTHER MATERIAL RELATING TO OUR COMPANY, THE RIGHTS ENTITLEMENTS OR THE RIGHTS EQUITY SHARES IN ANY JURISDICTION WHERE ACTION FOR SUCH PURPOSE IS REQUIRED. ACCORDINGLY, THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS LETTER OF OFFER NOR ANY OFFERING MATERIALS OR ADVERTISEMENTS IN CONNECTION WITH THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES MAY BE DISTRIBUTED OR PUBLISHED IN OR FROM ANY COUNTRY OR JURISDICTION EXCEPT IN ACCORDANCE WITH THE LEGAL REQUIREMENTS APPLICABLE IN SUCH COUNTRY OR JURISDICTION. THIS ISSUE WILL BE MADE IN COMPLIANCE WITH THE APPLICABLE SEBI REGULATIONS. EACH PURCHASER OF THE RIGHTS ENTITLEMENTS OR THE RIGHTS EQUITY SHARES IN THIS IS SUE WILL BE DEEMED TO HAVE MADE ACKNOWLEDGMENTS AND AGREEMENTS.**

#### **Filing**

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

#### **Mechanism for Redressal of Investor Grievances**

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. Skyline Financial Services Private Limited is our

Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

**Investors may contact the Registrar or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see "*Terms of the Issue*" beginning on page 192 of this Letter of Offer. The contact details of Registrar to the Issue and our Company Secretary and Compliance Officer are as follows:**

**Registrar to the Company:**

**Skyline Financial Services Pvt. Ltd.**

D-153A, 1st Floor, Okhla Industrial Area,  
Phase-I, New Delhi-110020

**Telephone:** 011-40450193/97

**Email:** [admin@skylinerta.com](mailto:admin@skylinerta.com)

**Website:** [www.skylinerta.com](http://www.skylinerta.com)

**Investor grievance e-mail:** [investors@skylinerta.com](mailto:investors@skylinerta.com)

**Contact Person:** Mr. Anuj Rana

**SEBI Registration No.:** INR000003241

**Validity of Registration:** Permanent

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

**Mr. Pankaj Kumar Sharma,**

Company Secretary and Compliance Officer

**Telephone:** +91 80762 00456

**E- mail:** [csig12021@gmail.com](mailto:csig12021@gmail.com);

[cs@integraessentia.com](mailto:cs@integraessentia.com)

## SECTION VII – OFFERING INFORMATION

### TERMS OF THE ISSUE

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

Please note that in accordance with the provisions of the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 ("**SEBI – Rights Issue Circular**"), all investors (including renounee) shall make an application for a rights issue only through ASBA facility.

The Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Letter of Offer, Letter of Offer, the Abridged Letter of Offer, including the Application Form and the Rights Entitlement Letter, the MOA and AOA of our Company, the provisions of the Companies Act, the terms and conditions as may be incorporated in the FEMA, applicable guidelines and regulations issued by SEBI or other statutory authorities and bodies from time to time, the SEBI Listing Regulations, terms and conditions as stipulated in the allotment advice or security certificate and rules as may be applicable and introduced from time to time.

### OVERVIEW

The Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Application Form and the Rights Entitlement Letter, the Memorandum of Association and the Articles of Association, the provisions of Companies Act, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the SEBI, the RBI or other regulatory authorities, the terms of Listing Agreements entered into by our Company with the Stock Exchange and terms and conditions as stipulated in the Allotment Advice.

#### **Important:**

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

In accordance with the SEBI ICDR Regulations, our Company will at least three days before the Issue Opening Date, dispatch the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material, only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities

laws) on the websites of:

- Our Company at [www.integraessentia.com](http://www.integraessentia.com)
- the Registrar to the Issue at [www.skylinerta.com](http://www.skylinerta.com)
- the Lead Manager, i.e. <http://ftfinsec.com> ;
- the Stock Exchange at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com); and

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at [www.skylinerta.com](http://www.skylinerta.com) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and such other credentials for validation of the identity of the shareholder, as may be required. The link for the same shall also be available on the website of our Company i.e. [www.Integraessentia.com](http://www.Integraessentia.com)

Further, our Company will undertake all adequate steps to reach out to the Eligible Equity Shareholders by other means if feasible in the current COVID-19 situation. However, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form. Resident Eligible Shareholders, who are holding Equity Shares in physical form as on the Record Date, can obtain details of their respective Rights Entitlements from the website of the Registrar by entering their Folio Number and such other credentials for validation of the identity of the shareholder, as may be required.

a) *Facilities for Application in this Issue:*

#### **ASBA facility**

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, please refer to Paragraph titled "*Procedure for Application through the ASBA process*" under terms of the issue beginning on page 192 of this Letter of Offer.

Please note that subject to SCSBs complying with the requirements of SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/633 dated October 01, 2021, our Company will make use of advertisements in television channels, radio, internet etc., including in the form of crawlers/ tickers, to disseminate information relating to the Application process in India.

b) *Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders:*

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Resident Eligible Equity Shareholders holding the Equity

Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Resident Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Resident Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

Resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date i.e. June 1, 2024 are requested to provide relevant details (such as copies of self-attested PAN and details of address proof by way of uploading on Registrar website the records confirming the legal and beneficial ownership of their respective Equity Shares) not later than two Working Days prior to the Issue Closing Date i.e. June 20, 2024, in order to be eligible to apply for this Issue. Such Resident Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer.

In accordance with the SEBI Rights Issue Circulars, the Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. June 20, 2024 shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.

c) *Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form:*

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Such resident Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in "***Procedure for Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form***" under terms of the issue on page 192 of this Letter of Offer.

d) *Application for Additional Equity Shares:*

Investors are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in "***Basis of Allotment***" beginning under terms of the issue on page 192 of this Letter of Offer.

**Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares.**

Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

e) Investors to kindly note that after purchasing the Rights Entitlements through On Market Renunciation / Off Market Renunciation, an application has to be made for subscribing to the Rights Equity Shares. If no such Application is made by the renounee on or before Issue Closing Date, then such Rights Entitlements will get lapsed and shall be extinguished after the Issue Closing Date and no Rights Equity Shares for such lapsed Rights Entitlements will be credited. For procedure of Application by shareholders

who have purchased the Right Entitlement through On Market Renunciation / Off Market Renunciation, please refer to the heading titled "**Procedure for Application through the ASBA process**" under terms of the issue on page 192 of this Letter of Offer.

f) Other important links and helpline:

The Investors can visit following links for the below-mentioned purposes:

- Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: [www.skylinerta.com](http://www.skylinerta.com)
- Updation of Indian address/ email address/ mobile number in the records maintained by the Registrar or our Company: [www.skylinerta.com](http://www.skylinerta.com)
- Updation of demat account details by resident Eligible Equity Shareholders holding shares in physical form: [www.skylinerta.com](http://www.skylinerta.com)

### **Renounees**

All rights or obligations of the Eligible Equity Shareholders in relation to Applications and refunds relating to the Issue shall, unless otherwise specified, apply to the Renounee(s) as well.

### **Authority for the Issue**

The Issue was authorised by our Company on November 27, 2023 under Section 62(1)(a) of the Companies Act, 2013.

The Board of Directors in their meeting held on May 28, 2024 have determined the Issue Price at 3.25 per Equity Share. Further the Board of Directors in their meeting held on May 28, 2024 has determined the Rights Entitlement as 20 Rights Equity Share(s) for every 119 fully paid up Equity Share(s) held on the Record Date. Our Company has received in-principle approval from BSE in accordance with Regulation 28 of the SEBI Listing Regulations for listing of the Rights Equity Shares to be Allotted in the Issue pursuant to letter dated May 10, 2024. Our Company will also make applications to BSE and NSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

Our Company has been allotted the ISIN: INE418N20035 for the Rights Entitlements to be credited to the respective demat accounts of the Equity Shareholders of our Company. For details, please refer to the section entitled "Terms of the Issue" beginning on page 192 of this Letter of Offer.

### **Basis for the Issue**

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of the Equity Shares held dematerialized form and on the register of members of our Company in respect of the Equity Shares held in physical form at the close of business hours on the Record Date, decided in consultation with the Designated Stock Exchange, but excludes persons not eligible under the applicable laws, rules, regulations and guidelines.

### **Rights Entitlement ("REs") (Rights Equity Shares)**

Eligible Equity Shareholders whose names appear as a beneficial owner in respect of the Equity Shares held in dematerialized form or appear in the register of members as an Equity Shareholder of our Company in respect of the Equity Shares held in physical form as on the Record Date, i.e., May 28, 2024, are entitled to the number of Rights Equity Shares as set out in the Application Form.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue ([www.skylinerta.com](http://www.skylinerta.com)) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company ([www.integraessentia.com](http://www.integraessentia.com)).

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. If the Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form to the email addresses as well as to the physical addresses of Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

The Letter of Offer will be provided, through email and speed post, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. The Letter of Offer, the Abridged Letter of Offer and the Application Form may also be accessed on the websites of the Registrar and our Company through a link contained in the aforementioned email sent to email addresses of Eligible Equity Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) and on the Stock Exchanges' websites. The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer will be filed with SEBI and the Stock Exchange.

Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes and Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Rights Equity Shares under the laws of any jurisdiction which apply to such person.

Further, our Company will undertake all adequate steps to reach out the Eligible Equity Shareholders by other means if feasible in the current COVID-19 situation. However, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

## **PRINCIPAL TERMS OF THE RIGHTS EQUITY SHARES ISSUED UNDER THIS ISSUE**

Face value of each Rights Equity Share will be ₹ 1.

**Issue Price**

Each Rights Equity Share is being offered at a price of ₹ 3.25 per Rights Equity Share in the Issue.

The Issue Price has been arrived at by our Company prior to the determination of the Record Date.

The Rights Equity Shares issued in this Issue will be fully paid-up. The Issue Price and other relevant conditions are in accordance with Regulation 10(4) of the SEBI Takeover Regulations.

The Board of Directors of our Company, at its meeting held on May 28, 2024 has determined the Issue Price.

**Rights Entitlement Ratio**

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 20 Rights Equity Share(s) for every 119 Equity Share(s) held on the Record Date.

**Rights of instrument holder**

Each Rights Equity Share shall rank *pari passu* with the existing Equity Shares of the Company.

**Terms of Payment**

The entire amount of the Issue Price of ₹ 3.25 per Rights Equity Share shall be payable at the time of Application.

**Fractional Entitlements**

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of 20 Rights Equity Share(s) for every 119 Equity Share(s) held on the Record Date. For Rights Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than 119 Equity Share(s) or not in the multiple of 119, the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored as above will be given preferential consideration for the Allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares over and above their Rights Entitlement.

For example, if an Eligible Equity Shareholder holds 119 Equity Shares, such Shareholder will be entitled to 20 Rights Equity Shares on a rights basis and will also be given a preferential consideration for the Allotment of one Additional Rights Equity Share if the Shareholder has applied for additional Rights Equity Shares.

Also, those Equity Shareholders holding less than 119 Equity Shares and therefore entitled to 'Zero' Rights Equity Share under this Issue shall be dispatched an Application Form with 'Zero' entitlement. Such Eligible Equity Shareholders are entitled to apply for Additional Rights Equity Shares and would be given preference in the Allotment of 1 Additional Rights Equity Share, if such Equity Shareholders have applied for the Additional Rights Equity Shares. However, they cannot renounce the same to third parties. Application Forms with zero entitlement will be non-negotiable/non-renounceable.

**Ranking**

The Rights Equity Shares to be issued and allotted pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and the Articles of Association. The Rights Equity Shares to be issued and Allotted pursuant to the Issue shall rank *pari passu* with the existing Equity Shares of our Company, in all respects including dividends.

**Mode of payment of dividend**

In the event of declaration of dividend, our Company shall pay dividend to the Eligible Equity Shareholders as per the provisions of the Companies Act and the provisions of the Articles of Association.



## **Listing and trading of the Rights Equity Shares to be issued pursuant to the Issue**

As per the SEBI – Rights Issue Circular, the Rights Entitlements with a separate ISIN would be credited to the demat account of the respective Eligible Equity Shareholders before the issue opening date. On the Issue Closing date the depositories will suspend the ISIN of REs for transfer and once the allotment is done post the basis of allotment approved by the designated stock exchange, the separate ISIN No. INE418N20035 for REs so obtained will be permanently deactivated from the depository system.

The existing Equity Shares of our Company are listed and traded under the ISIN: INE418N01035 on BSE (Scrip Code: 535958) and on NSE (Symbol: ESSENTIA). Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on BSE subject to necessary approvals. Our Company has received in-principle approval from BSE through letter dated May 10, 2024. All steps for completion of necessary formalities for listing and commencement of trading in the equity shares will be taken within 7 working days from the finalisation of the Basis of Allotment. Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

Upon receipt of such listing and trading approval, the Rights Equity Shares proposed to be issued pursuant to the Issue shall be debited from such temporary ISIN and credited in the existing ISIN and thereafter be available for trading under the existing ISIN as fully paid-up Equity Shares of our Company.

The temporary ISIN shall be kept blocked till the receipt of final listing and trading approval from the BSE. The Rights Equity Shares allotted pursuant to the Issue will be listed as soon as practicable and all steps for completion of the necessary formalities for listing and commencement of trading of the Rights Equity Shares shall be taken within the specified time. If permissions to list, deal in and for an official quotation of the Rights Equity Shares are not granted by BSE, our Company will within four days forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Letter of Offer. If such money is not repaid within four days, then our Company and every Director who is an officer in default shall, on and from such expiry of four days, be liable to repay the money, with interest as applicable. For details of trading and listing of Rights Equity Shares, please refer to the heading “*Terms of Payment*” under terms of the issue on page 192 of this Letter of Offer.

## **Subscription to the Issue by our Promoters and Promoter Group**

For details of the intent and extent of the subscription by our Promoters and Promoter Group, see “*Capital Structure – Intention and extent of participation by our Promoters and Promoter Group in the Issue*” on page 51.

## **Compliance with SEBI (ICDR) Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## **Rights of holders of Equity Shares**

Subject to applicable laws, the Equity Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to vote in person, or by proxy;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive surplus on liquidation;
- The right of free transferability of Equity Shares;
- The right to attend general meetings and exercise voting powers in accordance with law, unless prohibited by law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the Memorandum of Association and the Articles of Association.

## **General terms of the Issue**

### **Market Lot**

The Equity Shares of our Company are tradable only in dematerialized form. The market lot for Equity Shares in dematerialized mode is one Equity Share.

### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold such Equity Share as the joint holders with the benefit of survivorship subject to the provisions contained in the Articles of Association. Application Forms would be required to be signed by all the joint holders to be considered valid.

### **Nomination**

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. An Investor can nominate any person by filling the relevant details in the Application Form in the space provided for this purpose.

**Since the Allotment of Rights Equity Shares is in dematerialized form only, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in the Issue. Nominations registered with respective Depository Participant of the Investor would prevail. Any Investor desirous of changing the existing nomination is requested to inform its respective Depository Participant.**

### **Arrangements for Disposal of Odd Lots**

Our Equity Shares are traded in dematerialized form only and therefore the marketable lot is one Equity Share and hence, no arrangements for disposal of odd lots are required.

### **New Financial Instruments**

There are no new financial instruments like deep discount bonds, debentures with warrants, secured premium notes etc. issued by our Company.

### **Restrictions on transfer and transmission of shares and on their consolidation/splitting**

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue.

However, the Investors should note that pursuant to provisions of the SEBI Listing Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not effected unless the securities are held in the dematerialized form with a depository.

### **Notices**

In accordance with the SEBI ICDR Regulations, SEBI Rights Issue Circulars and MCA General Circular No. 21/2020, our Company will send, through email and speed post, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material to the email addresses of all the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Letter of Offer will be provided, through email and speed post, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Further, our Company will undertake all adequate steps to dispatch the physical copies of the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, if feasible in the current COVID-19 situation. However, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials,

including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation. Our Office is located in New Delhi and Hindi is also the regional language at the place where our Registered Office is situated.

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 and SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021 and SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/633 dated October 01, 2021, our Company will make use of advertisements in television channels, radio, internet etc., including in the form of crawlers/ tickers, to disseminate information relating to the Application process in India. The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

## **PROCEDURE FOR APPLICATION**

### **How to Apply**

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. Further, the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date can apply for this Issue through ASBA facility. For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, see *“Procedure for Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form”* under terms of the issue on page 192 of this Letter of Offer.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers, and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

### **Application Form**

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to email address of the Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email and speed post at least three days before the Issue Opening Date. In case of non-resident Eligible Equity Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through mail to their email address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

Further, our Company will undertake all adequate steps to reach out the Eligible Equity Shareholders by other means if feasible. However, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form.

Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the

Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- a) Our Company at [www.integraessentia.com](http://www.integraessentia.com)
- b) the Registrar to the Issue at [www.skylinerta.com](http://www.skylinerta.com)
- c) the Lead Manager, i.e. <http://ftfinsec.com> ;
- d) the Stock Exchange at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) ; and

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [www.skylinerta.com](http://www.skylinerta.com)) by entering their DP ID and Client ID or Folio Number (in case of resident Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company (i.e., [www.integraessentia.com](http://www.integraessentia.com)). The Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account. Further, in accordance with the SEBI Rights Issue Circulars, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date can apply through this Issue by first furnishing the details of their demat account along with their self-attested PAN and details of address proof by way of uploading on Registrar website the records confirming the legal and beneficial ownership of their respective Equity Shares at least two Working Days prior to the Issue Closing Date i.e. June 20, 2024, after which they can apply through ASBA facility.

In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account. Investors may accept this Issue and apply for the Rights Equity Shares (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein, (i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected. Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see "**Grounds for Technical Rejection**" under terms of the issue on page 192. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see "**Application on Plain Paper under ASBA process**" under terms of the issue on page 192 in this Letter of Offer.

### **Options available to the Eligible Equity Shareholders**

Details of each Eligible Equity Shareholders RE will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at [www.skylinerta.com](http://www.skylinerta.com) and link of the same would also be available on the website of our Company at ([www.integraessentia.com](http://www.integraessentia.com)). Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

The Eligible Equity Shareholders will have the option to:

- Apply for his Rights Entitlement in full;

- Apply for his Rights Entitlement in part (without renouncing the other part);
- Apply for his Rights Entitlement in full and apply for additional Rights Equity Shares;
- Apply for his Rights Entitlement in part and renounce the other part of the Rights Equity Shares; and
- Renounce his Rights Entitlement in full.

In accordance with the SEBI Rights Issue Circulars, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. June 20, 2024, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period through ASBA mode. Such resident Eligible Equity Shareholders must check the procedure for Application in "***Procedure for Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form***" under terms of the issue on page 192 of this Letter of Offer.

### **Procedure for Application through the ASBA process**

Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

### **Self-Certified Syndicate Banks**

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link. Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

### **Acceptance of this Issue**

Investors may accept this Issue and apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange. Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section "***Application on Plain Paper under ASBA process***" under terms of the issue on page 192 in this Letter of Offer.

### **Additional Rights Equity Shares**

Investors are eligible to apply for additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Applications for additional Rights Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to applicable sectoral caps, and in consultation if necessary with the BSE and in the manner prescribed under the section titled "***Terms of the Issue***" on page 192 of this Letter of Offer. Applications for additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner prescribed under the section "***Basis of Allotment***" under terms of the issue on page 192 of this Letter of Offer.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Equity Shares.

### **Applications by Overseas Corporate Bodies**

By virtue of the Circular No. 14 dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies ("OCBs"), have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to OCBs) Regulations, 2003.

Accordingly, the existing Eligible Equity Shareholders of our Company who do not wish to subscribe to the Rights Equity Shares being offered but wish to renounce the same in favour of Renouncee shall not be able to renounce the same (whether for consideration or otherwise), in favour of OCB(s). The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003, that OCBs which are incorporated and are not and were not at any time subject to any adverse notice from the RBI, are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000, under the foreign direct investment scheme with the prior approval of Government of India if the investment is through the government approval route and with the prior approval of RBI if the investment is through automatic route on case by case basis. Eligible Equity Shareholders renouncing their rights in favour of such OCBs may do so provided such Renouncee obtains a prior approval from the RBI. On submission of such RBI approval to our Company at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the Application Form.

### **Procedure for Renunciation of Rights Entitlements**

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange; or (b) through an off - market transfer, during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation.

In accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements. our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

#### **a) *On Market Renunciation***

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN INE418N20035 subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time. The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., June 11, 2024 to June 20, 2024 (both days inclusive). The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN INE418N20035 and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

b) ***Off Market Renunciation***

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE418N20035, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

**Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.**

### ***Applications on Plain Paper under ASBA process***

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

Alternatively, Eligible Equity Shareholders may also use the Application Form available online on the websites of our Company, the Registrar to the Issue, the Stock Exchanges to provide requisite details.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- Name of our Issuer, being Integra Essentia Limited;
- Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- Registered Folio Number/ DP and Client ID No.;
- Number of Equity Shares held as on Record Date;
- Allotment option preferred - only Demat form;
- Number of Rights Equity Shares entitled to;
- Number of Rights Equity Shares applied for;
- Number of Additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for within the Right Entitlements;
- Total amount paid at the rate of ₹ 3.25 per Rights Equity Share; Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- In case of NR Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- Except for Applications on behalf of the Central or State Government, the residents of Sikkim and officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to the Issue. Documentary evidence for exemption to be provided by the applicants;
- Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);
- Additionally, all such Applicants are deemed to have accepted the following:

*"I/We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended ("US Securities Act") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof ("United States") or to, or for the account or benefit of a United States person as defined in the Regulation S of the US Securities Act ("Regulation S"). I/ we understand the Rights Equity Shares referred to in this application are being offered in India but not in the United States. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/ we confirm that I/ we are not in the United States and understand that neither us, nor the Registrar or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, or any other person acting on behalf of us have reason to believe is a resident of the United States "U.S. Person" (as defined in Regulation S) or is ineligible to participate in the Issue under the securities laws of*



their jurisdiction.

*"I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.*

*I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.*

*I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States or a Qualified Institutional Buyer (as defined in the US Securities Act), and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S or in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act.*

*I/We acknowledge that the Company their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."*

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at [www.skylinerta.com](http://www.skylinerta.com). Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

#### **Last date for Application**

The last date for submission of the duly filled in Application Form is June 25, 2024. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the provisions of the Articles of Association, and subject to the Issue Period not exceeding 30 days from the Issue Opening Date.

If the Application together with the amount payable is either (i) not blocked with an SCSB; or (ii) not received by the Bankers to the Issue on or before the close of banking hours on the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as provided under "**Terms of the Issue - Basis of Allotment**" on page 192 of this Letter of Offer.

#### **Modes of Payment**

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank

account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalization of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

#### ***Mode of payment for Resident Investors***

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

#### ***Mode of payment for Non-Resident Investors***

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue Equity Shares to non-resident shareholders including additional Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, Allotment of Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at [admin@skylinerta.com](mailto:admin@skylinerta.com), [ipo@skylinerta.com](mailto:ipo@skylinerta.com), [grievances@skylinerta.com](mailto:grievances@skylinerta.com).

As regards Applications by Non-Resident Investors, the following conditions shall apply:

- Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar or our Company.

#### ***Note:***

*In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to their email addresses if they have provided their Indian address to our Company or if they are located in certain jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.*

- Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.
- Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.
- Eligible Non-Resident Equity Shareholders applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and Eligible Non-Resident Equity Shareholders applying

on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full amount payable, at the time of the submission of the Application Form to the SCSB. Applications received from NRIs and non-residents for allotment of the Rights Equity Shares shall be inter alia, subject to the conditions imposed from time to time by the RBI under the FEMA in the matter of refund of Application Money, allotment of Rights Equity Shares and issue of letter of allotment. If an NR or NRI Investors has specific approval from RBI, in connection with his shareholding, he should enclose a copy of such approval with the Application Form.

- In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. In case Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Equity Shares in the Issue.

#### **Procedure for application by Resident Eligible Equity Shareholders holding Equity Shares in physical form**

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

1. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
2. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
3. The remaining procedure for Application shall be same as set out in "*Application on Plain Paper under ASBA process*" under terms of the issue on page 192 in this Letter of Offer.

In accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

**PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.**

## Allotment of the Rights Equity Shares in Dematerialized Form

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE "ALLOTMENT ADVICES/ REFUND ORDERS/UNBLOCKING OF ASBA ACCOUNTS" UNDER TERMS OF THE ISSUE ON PAGE 192 OF THIS LETTER OF OFFER.**

### General instructions for Investors

- a) Please read the Letter of Offer and Application Form carefully to understand the Application process and applicable settlement process.
- b) In accordance with the SEBI Rights Issue Circulars, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.
- c) Please read the instructions on the Application Form sent to you.
- d) The Application Form can be used by both the Eligible Equity Shareholders and the Renounees.
- e) Application should be made only through the ASBA facility.
- f) Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected.
- g) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section "*Application on Plain Paper under ASBA process*" under terms of the issue on page 192 of this Letter of Offer.
- h) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.
- i) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
- j) Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the BSE.
- k) Applications should not be submitted to the Bankers to the Issue, our Company or the Registrar.
- l) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.
- m) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have

not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.

- n) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid.
- o) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- p) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- q) All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable. In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- r) Only persons outside restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Rights Equity Shares under applicable securities laws are eligible to participate.
- s) Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.
- t) In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications.
- u) In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

*Additional general instructions for Investors in relation to making of an Application*

- a) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- b) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("Demographic Details") are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should

carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Investor as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs or Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.

- c) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- d) Investors are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- e) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- f) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- g) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- h) Do not pay the Application Money in cash, by money order, pay order or postal order.
- i) Do not submit multiple Applications.
- j) No investment under the FDI route requiring government approval will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.
- k) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as a incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

**Do's:**

- (a) Ensure that the Application Form and necessary details are filled in.
- (b) Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act.
- (c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("Demographic Details") are updated, true and correct, in all respects.
- (d) Investors should provide correct DP ID and client ID/ folio number while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.

**Don'ts:**

- (a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (c) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (d) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (e) Do not submit multiple Applications.

**Do's for Investors applying through ASBA:**

- (a) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (c) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (d) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
- (e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (g) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

**Don'ts for Investors applying through ASBA:**

- a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- b) Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- c) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.

**Grounds for Technical Rejection**

Applications made in this Issue are liable to be rejected on the following grounds:

- a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- c) Sending an Application to our Company, Registrar, to a branch of a SCSB which is not a Designated Branch of the SCSB.
- d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.

- f) Account holder not signing the Application or declaration mentioned therein.
- g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.
- m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.
- q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- r) Application from Investors that are residing in U.S. address as per the depository records (other than in reliance with Reg S).

**IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.**

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. By signing the Application Forms, the Investors would be deemed to have authorised the Depositories to provide, upon



request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the email intimating unblocking of ASBA Account would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs or the Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

### **Multiple Applications**

A separate Application can be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Applications shall not be treated as multiple applications. For details, see "*Investment by Mutual Funds*" below under terms of the issue on page 192 of this Letter of Offer.

In cases where multiple Applications are submitted, including cases where an Investor submits Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected (other than multiple applications submitted by any of the Promoters or members of the Promoter Group as described in "*Capital Structure – Intention and extent of participation by our Promoters and Promoter Group in the Issue*" on page 51 of this Letter of Offer.

### **Underwriting**

The Issue is not underwritten.

### **Withdrawal of Application**

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor may withdraw their Application post the Issue Closing Date.

### **Issue schedule**

|   |                         |
|---|-------------------------|
| <b>Last date for credit of Rights Entitlements</b>                          | Wednesday, June 5, 2024 |
| <b>Issue Opening Date</b>   | Tuesday, June 11, 2024  |
| <b>Last date for On Market Renunciation*</b>                                | Thursday, June 20, 2024 |
| <b>Issue Closing Date</b>   | Tuesday, June 25, 2024  |
| <b>Finalising the basis of allotment with the Designated Stock Exchange</b> | Friday, June 28, 2024   |
| <b>Date of Allotment (on or about)</b>                                      | Saturday, June 29, 2024 |
| <b>Date of credit (on or about)</b>   | Tuesday, July 2, 2024   |
| <b>Date of listing or Commencement of Trading (on or about)</b>             | Friday, July 5, 2024    |

*Note: Our Board may, however, decide to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).*

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

*\*\*Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company and/or the Registrar to the Issue will not be liable for any loss on account of non-submission of Application Forms or on before the Issue Closing Date.*

### **Basis of Allotment**

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter, the Articles of Association of our Company and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlement either

in full or in part and also to the Renouncee(s) who has/have applied for Rights Equity Shares renounced in its/their favor, in full or in part, as adjusted for fractional entitlement.

- b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Rights Securities. Allotment under this head shall be considered if there are any unsubscribed Rights Securities after allotment under (a) above. If number of Rights Securities required for Allotment under this head are more than the number of Rights Securities available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- c) Allotment to the Eligible Equity Shareholders who have applied for the full extent of their Rights Entitlement and have also applied for Additional Rights Equity Shares shall be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are unsubscribed Rights Equity Shares after making full Allotment under (a) and (b) above. The Allotment of such Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
- d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour and also have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares shall be made on a proportionate basis as part of the Issue and will not be a preferential allotment.
- e) Allotment to any other person that our Board may deem fit provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.
- f) After taking into account Allotment to be made under (a) to (e) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed' for the purpose of Regulation 3(1)(b) of the SEBI Takeover Regulations.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Designated Branches, a list of the ASBA Investors who have been Allotted Rights Equity Shares in the Issue, along with:

- a) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful ASBA Application;
- b) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- c) The details of rejected ASBA Applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

In the event of over subscription, Allotment shall be made within the overall size of the Issue.

#### **Allotment Advices/Refund Orders**

Our Company will issue and dispatch Allotment advice, refund instructions or demat credit of securities and/or letters of regret, along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or unblocking the funds in the respective ASBA Accounts, if any, within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 days' period.

In case of those investors who have opted to receive their Rights Entitlement in dematerialized form using electronic credit under the depository system, and the Allotment advice regarding their credit of the Rights Equity Shares shall be sent at the address recorded with the Depository. Investors to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within 4 days of the Issue Closing Date.

**In accordance with the SEBI ICDR Regulations, the option to receive the Rights Equity Shares in physical**

**form was available only for a period of six months from the date of coming into force of the SEBI ICDR Regulations, i.e., until May 10, 2019.**

The letter of allotment or refund order would be sent by registered post or speed post to the sole/ first Investor's address provided by the Eligible Equity Shareholders to our Company. Such refund orders would be payable at par at all places where the Applications were originally accepted. The same would be marked 'Account Payee only' and would be drawn in favor of the sole/ first Investor. Adequate funds would be made available to the Registrar for this purpose.

### **Payment of Refund**

#### ***Mode of making refunds***

In case of Applicants not eligible to make an application through ASBA process, the payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes:

1. **Unblocking amounts blocked using ASBA facility-** The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through unblocking amounts blocked using ASBA facility.
2. Credit of refunds to Investors in any other electronic manner, permissible under the banking laws, which are in force, and is permitted by SEBI from time to time.

#### ***Refund payment to Non-residents***

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

### **Allotment advice or Demat Credit**

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (pending with IEPF authority/ in suspense, etc.) will be credited within 4 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

### **Option to receive Right Equity Shares in Dematerialised Form**

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE RESIDENT ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.**

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form.

**INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES OF OUR COMPANY CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Rights Equity Shares in the Issue in the electronic form is as under:

- Open a beneficiary account with any Depository Participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for each

such holding. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.

- It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
- The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
- If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
- The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders whose Equity Shares are with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
- Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in the Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
- Non-transferable allotment advice/ refund orders will be sent directly to the Investors by the Registrar to the Issue.
- Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

**Resident Eligible Equity Shareholders, who hold Equity Shares in physical form and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue for further details, please refer to "Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form" under terms of the issue on page 192 of this Letter of Offer.**

### **Investment by FPIs**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the multiple entities having common ownership, directly or indirectly, of more than 50% or common control) must be below 10% of our post- Issue Equity Share capital. Further, in terms of FEMA Rules, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of a company on a fully-diluted basis and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of a company on a fully diluted basis.

Further, pursuant to the FEMA Rules the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Issue are advised to use the ASBA Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, only Category I FPIs, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly,

only in the event (i) such offshore derivative instruments are issued only to persons eligible to be registered as Category I FPIs; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI may transfer offshore derivative instruments to persons compliant with the requirements of Regulation 21(1) of the SEBI FPI Regulations and subject to receipt of consent, except where pre-approval is provided.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

### **Investment by Systemically Important Non-Banking Financial Companies (NBFC – SI)**

In case of an application made by Systemically Important NBFCs registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

The SEBI (Venture Capital Funds) Regulations, 1996, as amended ("SEBI VCF Regulations") and the SEBI (Foreign Venture Capital Investor) Regulations, 2000, as amended ("SEBI FVCI Regulations") prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI (Alternative Investments Funds) Regulations, 2012 ("SEBI AIF Regulations") prescribe, among other things, the investment restrictions on AIFs.

**As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue.**

Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations.

Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

### **Applications will not be accepted from FPIs in restricted jurisdictions.**

FPIs which are QIBs, Non-Institutional Investors or whose application amount exceeds ₹ 2 lakhs can participate in the Rights Issue only through the ASBA process. Further, FPIs which are QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹ 2 lakhs.

### **Investment by NRIs**

Investments by NRIs are governed by Rule 12 of FEMA Rules. Applications will not be accepted from NRIs in Restricted Jurisdictions.

NRIs may please note that only such Applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The NRIs who intend to make payment through NRO counts shall use the Application form meant for resident Indians and shall not use the Application forms meant for reserved category.

As per Rule 12 of the FEMA Rules read with Schedule III of the FEMA Rules, an NRI or OCI may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the

Indian company.

### **Investment by Mutual Funds**

Applications made by asset management companies or custodians of Mutual Funds should clearly and specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

### **Procedure for applications by Systemically Important NBFCs**

In case of application made by Systemically Important NBFCs registered with the RBI, (i) the certificate of registration issued by the RBI under Section 45 –IA of the RBI Act, 1934 and (ii) networth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

### **Payment by stock invest**

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest Scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

### **Impersonation**

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

*"Any person who:*

- i. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- ii. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- iii. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447. "*

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹10 lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. Where such fraud (i) involves an amount which is less than ₹10 lakhs or 1% of the turnover of the Company, whichever is lower, and (ii) does not involve public interest, then such fraud is punishable with imprisonment for a term extending up to five years or fine of an amount extending up to ₹50 lakhs or with both.

### **Dematerialised Dealing**

Our Company has entered into tripartite agreements dated January 8, 2022 and January 7, 2022 with NSDL and CDSL, respectively, and our Equity Shares bear the ISIN: INE418N01035.

### **Disposal of Applications and Application Money**

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form. Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be unblocked in the respective ASBA Accounts of the Investor within a period of 4 days from the Issue Closing Date and refunded in the respective bank accounts from which Application Money was received on or before T+1 day (T being the date of finalisation of Basis of Allotment). In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

### **Utilization of Issue Proceeds**

Our Board of Directors declares that:

- a) All monies received out of the Issue shall be transferred to a separate bank account;
- b) Details of all monies utilized out of the Issue shall be disclosed, and shall continue to be disclosed until the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- c) Details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
- d) Our Company may utilize the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

### **Undertakings by our Company**

Our Company undertakes the following:

- a) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.
- b) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Rights Equity Shares are to be listed will be taken within the time prescribed by the SEBI.
- c) The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- d) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 4 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- e) No further issue of securities affecting our Company's Equity Share capital shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription etc.
- f) In case of unblocking of the application amount for unsuccessful Applicants or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- g) Adequate arrangements shall be made to collect all ASBA Applications and to consider them similar to non-ASBA Applications while finalizing the Basis of Allotment.
- h) At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.
- i) Our Company shall comply all disclosure and accounting norms specified by the SEBI from time to time.
- j) Our Company accepts full responsibility for the accuracy of information given in this Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

### **Minimum Subscription**

The objects of the Issue involve financing other than financing of capital expenditure for a project and our Promoters and members of our Promoter Group have undertaken to (i) subscribe to the full extent of their respective Rights Entitlements, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR; and (ii) have also confirmed that they shall not renounce their Rights Entitlements, except to the extent of renunciation within the promoter group. Accordingly, in terms of the SEBI ICDR Regulations, the requirement of minimum subscription in the Issue is not applicable.

### **Filing**

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

### **Withdrawal of the Issue**

Subject to provisions of the SEBI ICDR Regulations, the Companies Act and other applicable laws, Our Company, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue anytime after the Issue Opening Date, a public notice within two (2) Working Days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisement has appeared and the Stock Exchange will also be informed promptly.

The Company through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchange.

If our Company withdraws the Issue at any stage including after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

### **Important**

Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected. It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in "Risk Factors" on page 20 of this Letter of Offer.

All enquiries in connection with this Letter of Offer, Abridged Letter of Offer or Application Form and the Rights Entitlement Letter must be addressed (quoting the Registered Folio Number or the DP and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed "Integra Essentia Limited" on the envelope to the Registrar at the following address:

#### **Skyline Financial Services Private Limited**

D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020

**Telephone:** 011-40450193/97

**Email:** admin@skylinerta.com

**Website:** www.skylinerta.com

**Investor grievance e-mail:** investors@skylinerta.com

**Contact Person:** Mr. Anuj Rana

**SEBI Registration No.:** INR000003241



**Validity of Registration:** Permanent

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar [www.skylinerta.com](http://www.skylinerta.com). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is 011-40450193/97.

The Issue will remain open for a minimum period of 7 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Consolidated FDI Policy and FEMA. The FDI Policy prescribes the limits and conditions subject to which foreign investment can be made in different sectors of the Indian economy and FEMA regulates the precise manner in which such investment may be made.

The government bodies responsible for granting foreign investment approvals are the concerned ministries/departments of the Government of India and the RBI. Pursuant to the press release dated May 24, 2017, the Union Cabinet phased out the FIPB and it was replaced by the Foreign Investment Facilitation Portal (**FIFP**) to speed up the FDI inflow and to increase the transparency in the FDI approvals in the country. The DIPP issued the Standard Operating Procedure (SOP) for Processing FDI Proposals on June 29, 2017 (the "**SOP**"). The SOP provides a list of the competent authorities to grant approvals for foreign investment for sectors/activities requiring Government approval. For sectors or activities that are currently under the automatic route but which required Government approval earlier as per the extant policy during the relevant period, the concerned Administrative Ministry/Department shall act as the competent authority (the "**Competent Authority**") for the grant of post facto approval for foreign investment. In circumstances where there is a doubt as to which department shall act as the Competent Authority, the DIPP will identify the Competent Authority.

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("**FDI**") through press notes and press releases. The DIPP, has issued a consolidated FDI Policy DPIIT File Number 5(2)/2020-FDI Policy Dated the October 15, 2020 ("**FDI Policy 2020**"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI policy issued by the DIPP that were in force till that date. The Government of India proposes to update the consolidated circular on FDI policy once every year and therefore, the FDI Policy 2020 will be valid until the DIPP issues an updated circular.

Under the FDI Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to 100% without any prior approvals, however the foreign investor must follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment ("**FDI**") and approval from the Government of India will now be handled by the **FIFP**.

The transfer of shares between an Indian resident and a non-resident does not need prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA, and the transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the extant policy of the Government of India, erstwhile OCBs cannot participate in this Issue. OCBs or Overseas Corporate Bodies have been derecognised as a class of investor entity in India with effect from September 16, 2003.

Overseas Corporate Body means a company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty per cent by Non- Resident Indians and includes overseas trust in which not less than sixty percent beneficial interest is held by Non-resident Indians directly or indirectly but irrevocably, which was in existence as on September 16, 2003 and was eligible to undertake transactions pursuant to the general permission granted under FEMA. Any investment made in India by such entities will be treated as investments by incorporated non-resident entities, i.e. a foreign company.

The Issue, if renounced by our shareholders, may include offers within India, to Indian institutional, non-institutional and retail investors in offshore transactions as defined in, and made in reliance upon exemptions from the registration requirements under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), including the exemption under Regulation S ("**Regulation S**") of the U.S. Securities Act.

*The above information is given for the benefit of the Applicants / Investors. Our Company and the Lead Manager is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.*

## **SECTION VIII – STATUTORY AND OTHER INFORMATION**

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialized form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date.

## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

*The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Letter of Offer) which are or may be deemed material have\ been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available on the website of the Company at [www.integraessentia.com](http://www.integraessentia.com) in from the date of this Letter of Offer until the Issue Closing Date.*

### 1. Material Contracts for the Issue

- (i) Registrar Agreement dated May 28, 2024 entered into amongst our Company and the Registrar to the Issue.
- (ii) Escrow Agreement dated May 28, 2024 amongst our Company, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank.
- (iii) Memorandum of Understanding dated February 19, 2024 between our Company and Fast Track Finsec Private Limited, Lead Manager to the Issue;

### 2. Material Documents

- (i) Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.
- (ii) Certificate of incorporation dated August 6, 2007.
- (iii) Fresh certificate of incorporation dated January 3, 2012 upon conversion of our Company from Private Limited to Public Limited.
- (iv) Composite Scheme of Arrangement and Amalgamation between Morarjee Textiles Limited and Five Star Mercantile Limited and Morarjee Holdings Private Limited and their respective shareholders.
- (v) Order copy dated June 29, 2012 of Hon'ble Bombay High Court, approving the Scheme of Arrangement.
- (vi) Fresh certificate of incorporation dated August 2, 2012 consequent upon change of name of our Company to 'Integra Garments and Textiles Limited'.
- (vii) Share Purchase Agreement dated March 31, 2021.
- (viii) Letter of Offer dated May 9, 2022 for allotment of 27,66,84,812 Equity Shares of face value of Rs. 1 each at a price of Rs. 1.80 per Equity Share.
- (ix) Letter of Offer dated November 12, 2022 for allotment of 7,13,51,144 Equity Shares of face value of Rs. 1 each at a price of Rs. 7 per Equity Share.
- (x) Resolution of the Board of Directors dated November 27, 2023 in relation to the Issue.
- (xi) Resolution of the Right Issue Committee dated February 26, 2024 approving and adopting the Draft Letter of Offer.
- (xii) Resolution of Board Meeting dated May 28, 2024 for approving and adopting the Final Letter of Offer.
- (xiii) Consent of our Directors, Company Secretary and Compliance Officer, Statutory Auditor, Legal Advisor, the Registrar to the Issue, Banker to the Issue/ Refund Bank for inclusion of their names in this Letter of Offer in their respective capacities.

- (xiv) Copies of Annual Reports of our Company for Fiscals 2023, 2022 and 2021.
- (xv) Copy of Unaudited Interim Condensed Financial Statements for the three months period ended December 31, 2023.
- (xvi) Restated Financial Statement along with Auditor reports dated February 15, 2024 for the period December 2023 and for the financial year ended March 31, 2024, March 31, 2023, March 31, 2022 and March 31, 2021.
- (xvii) Report on Statement of Special Tax Benefits dated February 16, 2022 from the Statutory Auditor included in this Letter of Offer.
- (xviii) Tripartite Agreement dated January 8, 2022 between our Company, NSDL and the Registrar to the Issue.
- (xix) Tripartite Agreement dated January 7, 2022 between our Company, CSDL and the Registrar to the Issue.
- (xx) In principle listing approvals dated May 10, 2024 and May 17, 2024 issued by BSE and NSE, respectively.

Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Letter of Offer are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

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**Deepak Kumar Gupta**  
(Whole-time Director cum CEO)

Sd/-

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**Arijit Kumar Ojha**  
(Executive Director)

Sd/-

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**Puneet Ralhan**  
(Executive Director)

Sd/-

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**Gunjan Jha**  
(Non-Executive Independent Director)

Sd/-

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**Sony Kumari**  
(Non-Executive Independent Director)

Sd/-

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**Anshumali Bhushan**  
(Non-Executive Independent Director)

### SIGNED BY THE COMPANY SECRETARY OF OUR COMPANY:

Sd/-

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**Pankaj Kumar Sharma**  
(Company Secretary & Compliance Officer)

**Date:** 28/05/2024

**Place:** New Delhi